

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0136  
Expires: November 30, 2000

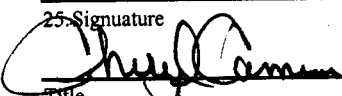
APPLICATION FOR PERMIT TO DRILL OR REENTER

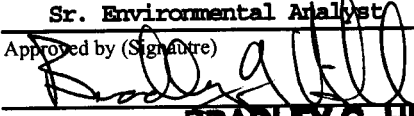
|   |  |  |  |
|---|--|--|--|
| 1a. Type of Work<br><input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER  |  | 5. Lease Serial No.<br><b>U-78228</b>  |  |
| 1b. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone |  | 6. If Indian, Allottee or Tribe Name<br><b>N/A</b>   |  |
| 2. Name of Operator<br><b>Coastal Oil &amp; Gas Corporation</b>   |  | 7. Unit or CA Agreement Name and No.<br><b>Kennedy Wash</b>  |  |
| 3a. Address<br><b>P.O. Box 1148, Vernal, UT 84078</b>   |  | 8. Lease Name and Well No.<br><b>Kennedy Wash Federal #11-1</b>  |  |
| 3b. Phone No. (include area code)<br><b>(435) -781-7023</b>   |  | 9. API Well No.<br><b>N/A 43-047-33666</b>   |  |
| 4. Location of Well (Report location clearly and in accordance with any State requirements)*<br>At surface <b>NW SE</b><br>At proposed prod. zone <b>1913'FSL &amp; 2142'FEL</b>                              |  | 10. Field and Pool, or Exploratory<br><b>Kennedy Wash</b>  |  |
| 14. Distance in miles and direction from nearest town or post office*<br><b>27.9 Miles Southeast of Vernal, Utah</b>  |  | 11. Sec., T., R., M., or Blk. and Survey or Area<br><b>Sec 11-T8S-R23E</b>   |  |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any)<br><b>1913'</b>  |  | 12. County or Parish<br><b>Utah</b>  |  |
| 16. No. of Acres in lease<br><b>680</b>   |  | 13. State<br><b>Utah</b>   |  |
| 17. Spacing Unit dedicated to this well<br><b>N/A</b>   |  | 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.<br><b>18,290'</b> |  |
| 19. Proposed Depth<br><b>10,000</b>   |  | 20. BLM/BIA Bond No. on file<br><b>U-605382-9</b>  |  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br><b>5362.4'Ungraded GR</b>  |  | 22. Approximate date work will start*<br><b>Upon Approval</b>  |  |
|   |  | 23. Estimated duration<br><b>To Be Determined</b>  |  |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan  | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

|   |   |                        |
|---|---|------------------------|
| 25. Signature<br> | Name (Printed/Typed)<br><b>Cheryl Cameron</b> | Date<br><b>8/10/00</b> |
|---|---|------------------------|

|   |  |                        |
|---|--|------------------------|
| Sr. Environmental Analyst   |  |                        |
| Approved by (Signature)<br> | Name (Printed/Typed)<br><b>BRADLEY G. HILL</b> | Date<br><b>8/30/00</b> |
| Title<br><b>RECLAMATION SPECIALIST III</b>  |  | Office                 |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on Reverse)

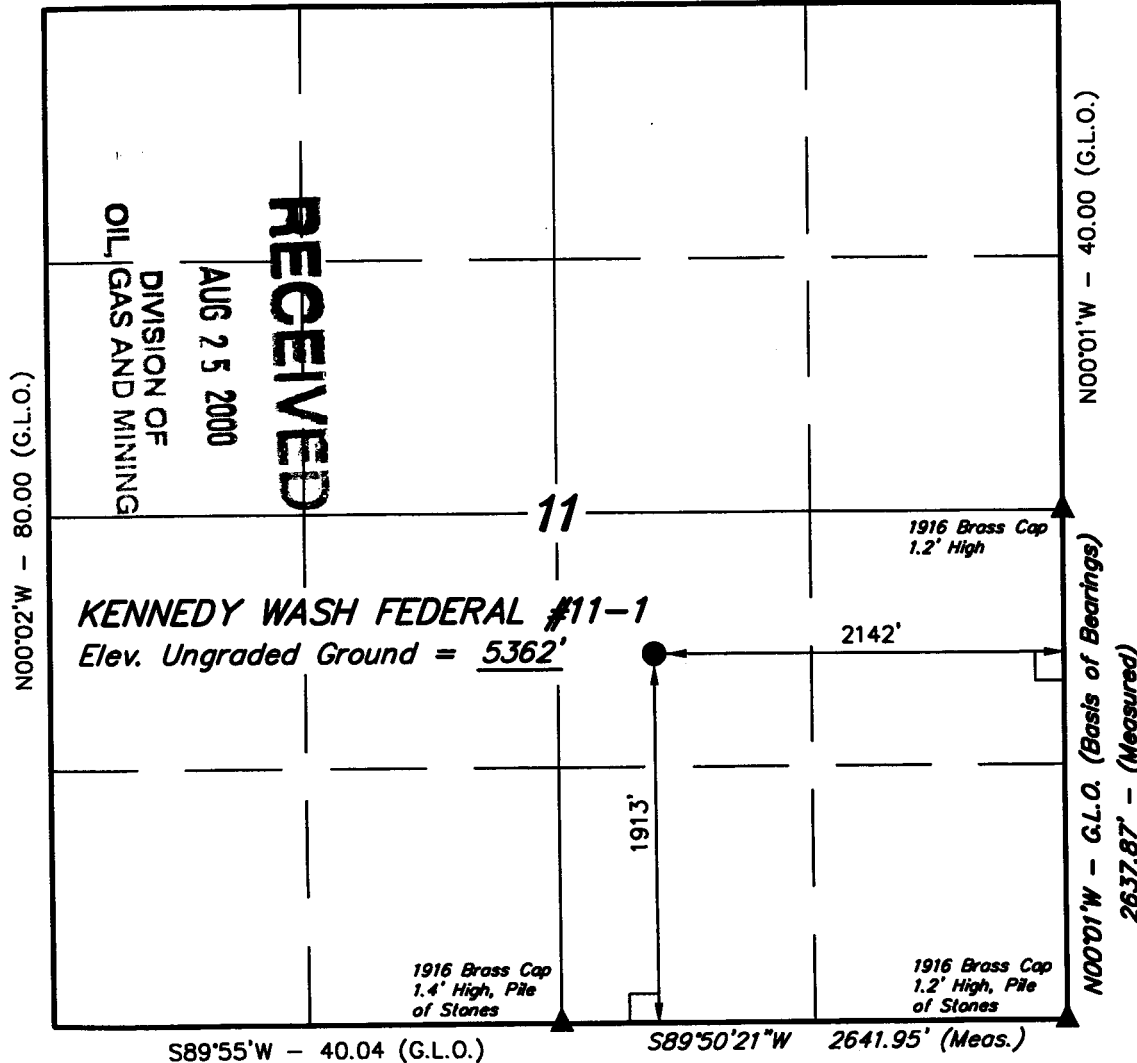
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**DIVISION OF  
OIL, GAS AND MINING**

**T8S, R23E, S.L.B.&M.**

S89°55'W - 80.08 (G.L.O.)



**LEGEND:**

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

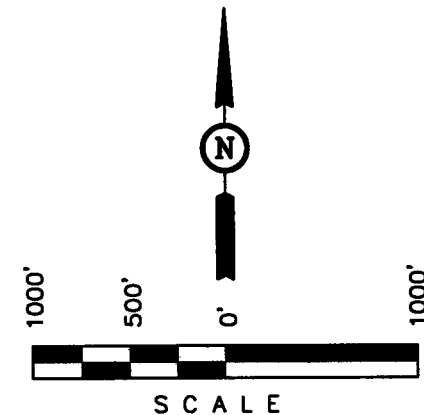
LATITUDE = 40°08'06"  
LONGITUDE = 109°17'31"

**COASTAL OIL & GAS CORP.**

Well location, KENNEDY WASH FEDERAL #11-1, located as shown in the NW 1/4 SE 1/4 of Section 11, T8S, R23E, S.L.B.&M., Uintah County, Utah.

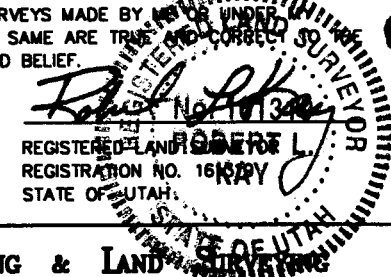
**BASIS OF ELEVATION**

BENCH MARK (X26) LOCATED IN THE NW 1/4 OF SECTION 12, T8S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5405.275 FEET.



**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



| <b>UTAH ENGINEERING &amp; LAND SURVEYING</b><br><b>85 SOUTH 200 EAST - VERNAL, UTAH 84078</b><br><b>(435) 789-1017</b> |                                 |                         |
|--|---------------------------------|-------------------------|
| SCALE<br>1" = 1000'  | DATE SURVEYED:<br>06-12-00      | DATE DRAWN:<br>07-10-00 |
| PARTY<br>K.K. P.R. D.R.B.  | REFERENCES<br>G.L.O. PLAT       |                         |
| WEATHER<br>WARM  | FILE<br>COASTAL OIL & GAS CORP. |                         |



August 23, 2000

Bureau of Land Management  
Vernal District Office  
170 South 500 East  
Vernal, Utah 84078

**ATTENTION: Ed Forsman**

Dear Ed,

Enclosed are the original and two copies of the Application for Permit to Drill for the NBU #351, Kennedy Wash #3-1, Kennedy Wash #4-1, Kennedy Wash #14-1, Kennedy Wash #11-1 and the Kennedy Wash #6-1.

If you have questions or need additional information, please do not hesitate to call me, (435) 781-7022.

Sincerely,

Katy Dow  
Environmental Jr. Analyst

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OIL, GAS AND MINING

**Coastal Oil & Gas Corporation**

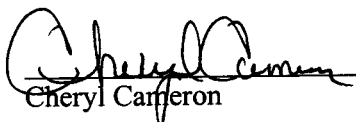
A SUBSIDIARY OF THE COASTAL CORPORATION  
1368 S 1200 E • P.O. BOX 1148 • VERNAL UT 84078 • 435/789-4433 • FAX 435/789-4436

Mr. Ferron Secakuka  
Ute Tribe  
Energy & Minerals Resource Department  
PO Box 70  
Ft. Duchesne, UT 84026

Mr Charles H Cameron  
Bureau of Indian Affairs  
Uintah & Ouray Agency  
Office of Mineral & Mining  
PO Box 130  
Ft. Duchesne, UT 84026

Ms. Lisha Cordova  
State of Utah  
Division of Oil Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
Cheryl Cameron

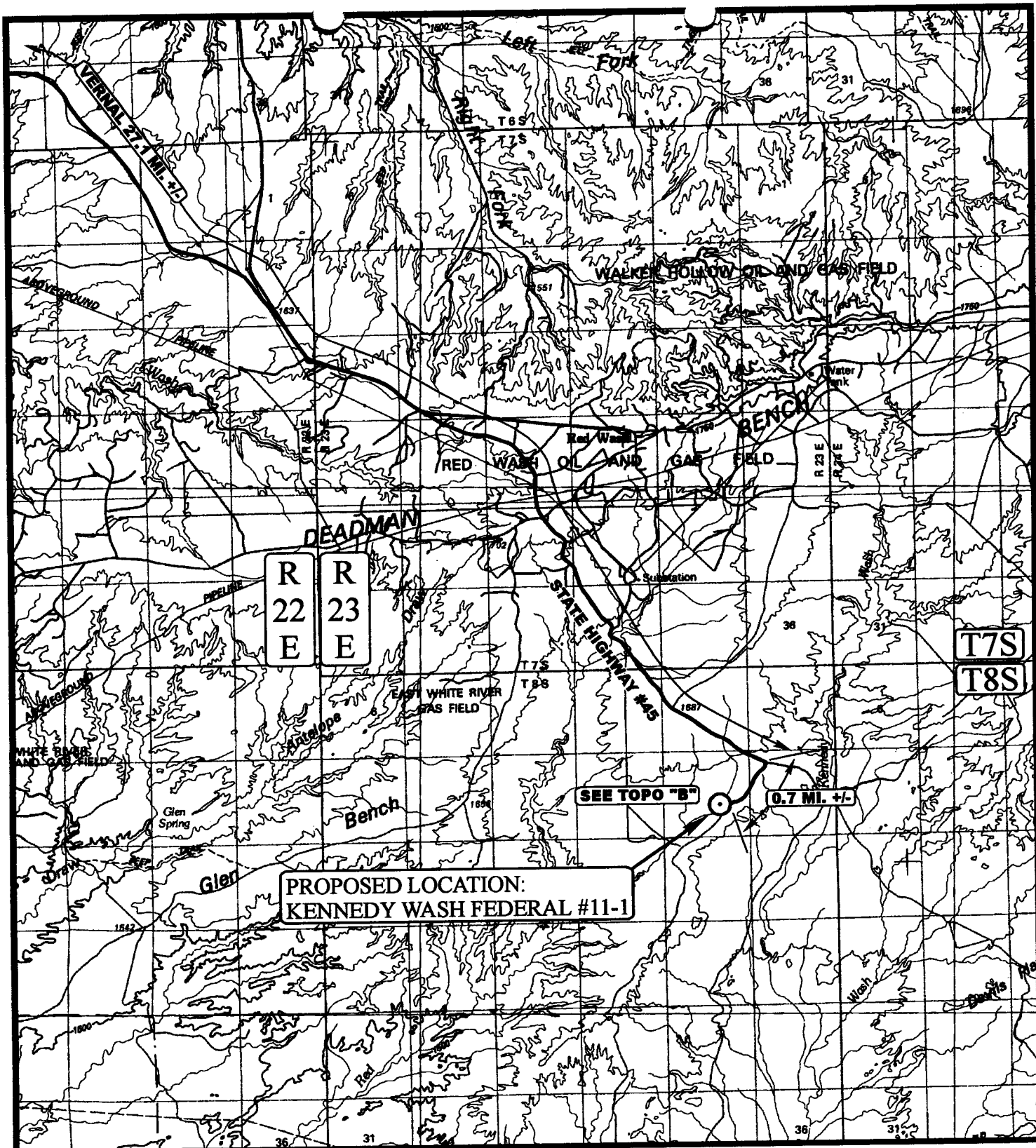
8/14/00

Date

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# LEGEND:

⊙ PROPOSED LOCATION



COASTAL OIL & GAS CORP.

KENNEDY WASH FEDERAL #11-1  
SECTION 11, T8S, R23E, S.L.B.&M.  
1913' FSL 2142' FEL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

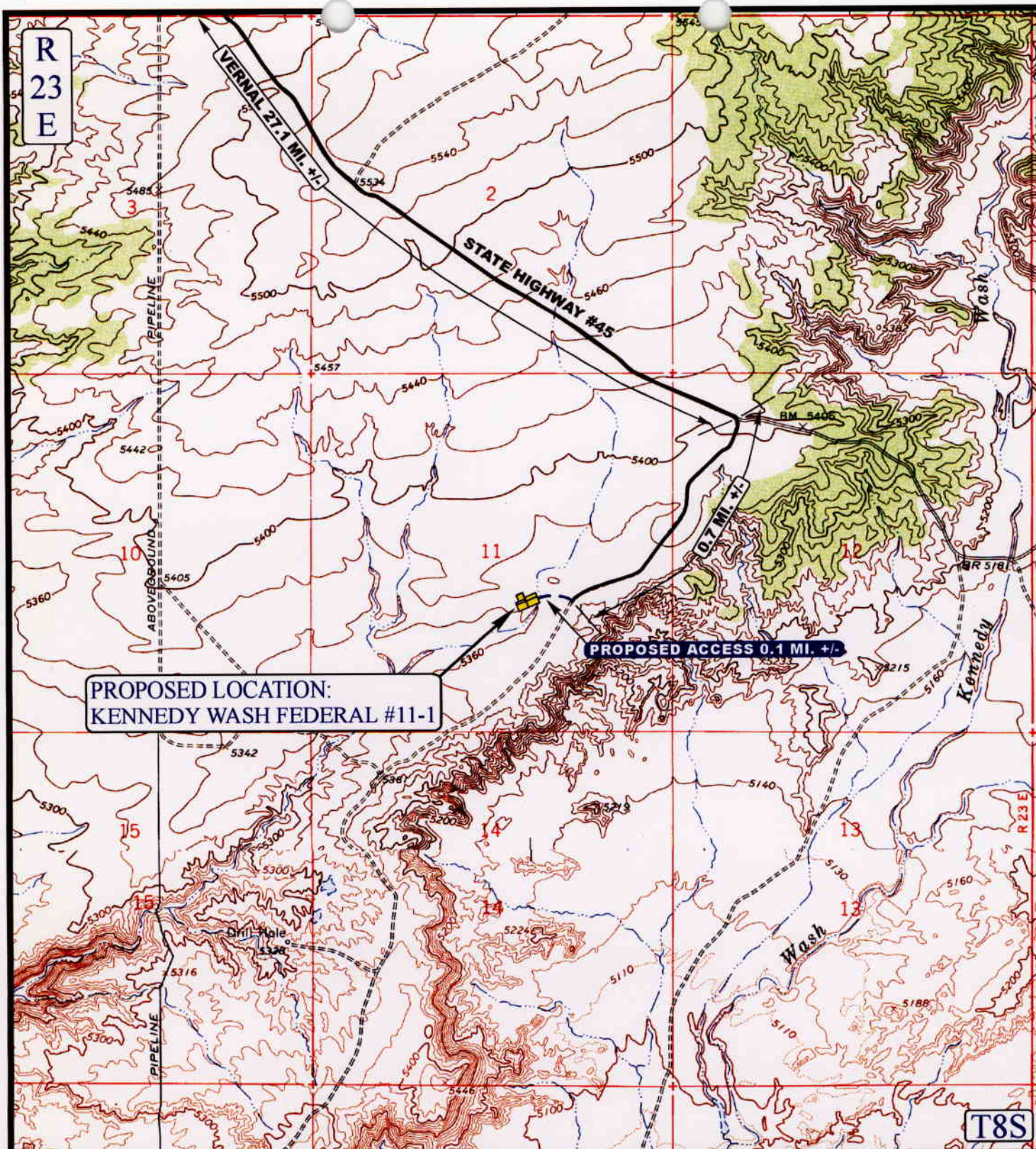
TOPOGRAPHIC  
MAP

7 6 00  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00







**PROPOSED LOCATION:  
KENNEDY WASH FEDERAL #11-1**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD



**COASTAL OIL & GAS CORP.**  
**KENNEDY WASH FEDERAL #11-1**  
**SECTION 11, T8S, R23E, S.L.B.&M.**  
**1913' FSL 2142' FEL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**7 6 00**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00





R  
23  
E

PROPOSED LOCATION:  
KENNEDY WASH FEDERAL #11-1

T8S

LEGEND:

- |                   |                         |
|-------------------|-------------------------|
| Ø DISPOSAL WELLS  | ⊗ WATER WELLS           |
| ● PRODUCING WELLS | ⊗ ABANDONED WELLS       |
| ● SHUT IN WELLS   | ⊗ TEMPORARILY ABANDONED |

U  
E  
I  
S

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85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

N



COASTAL OIL & GAS CORP.

KENNEDY WASH FEDERAL #11-1  
SECTION 11, T8S, R23E, S.L.B.&M.  
1913' FSL 2142' FEL

TOPOGRAPHIC  
MAP

7 6 00  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

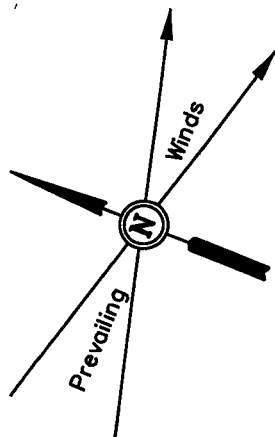
C  
TOPO



# COASTAL OIL & GAS CORP.

## LOCATION LAYOUT FOR

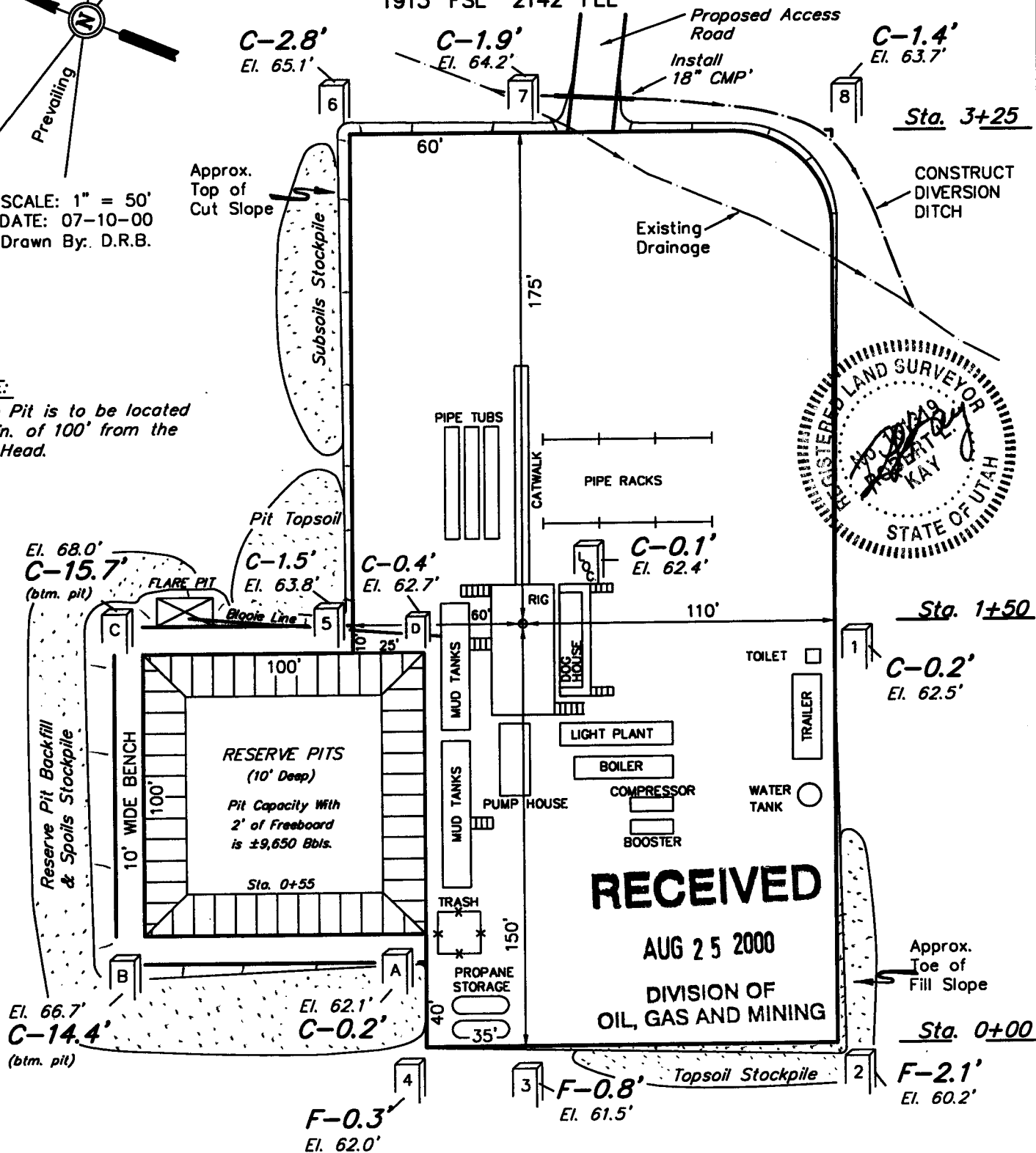
KENNEDY WASH FEDERAL #11-1  
SECTION 11, T8S, R23E, S.L.B.&M.  
1913' FSL 2142' FEL



SCALE: 1" = 50'  
DATE: 07-10-00  
Drawn By: D.R.B.

### NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.



### NOTES:

Elev. Ungraded Ground At Loc. Stake = 5362.4'

FINISHED GRADE ELEV. AT LOC. STAKE = 5362.3'

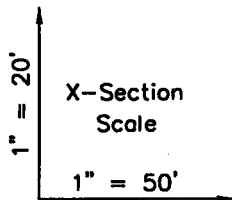
FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

# COASTAL OIL & GAS CORP.

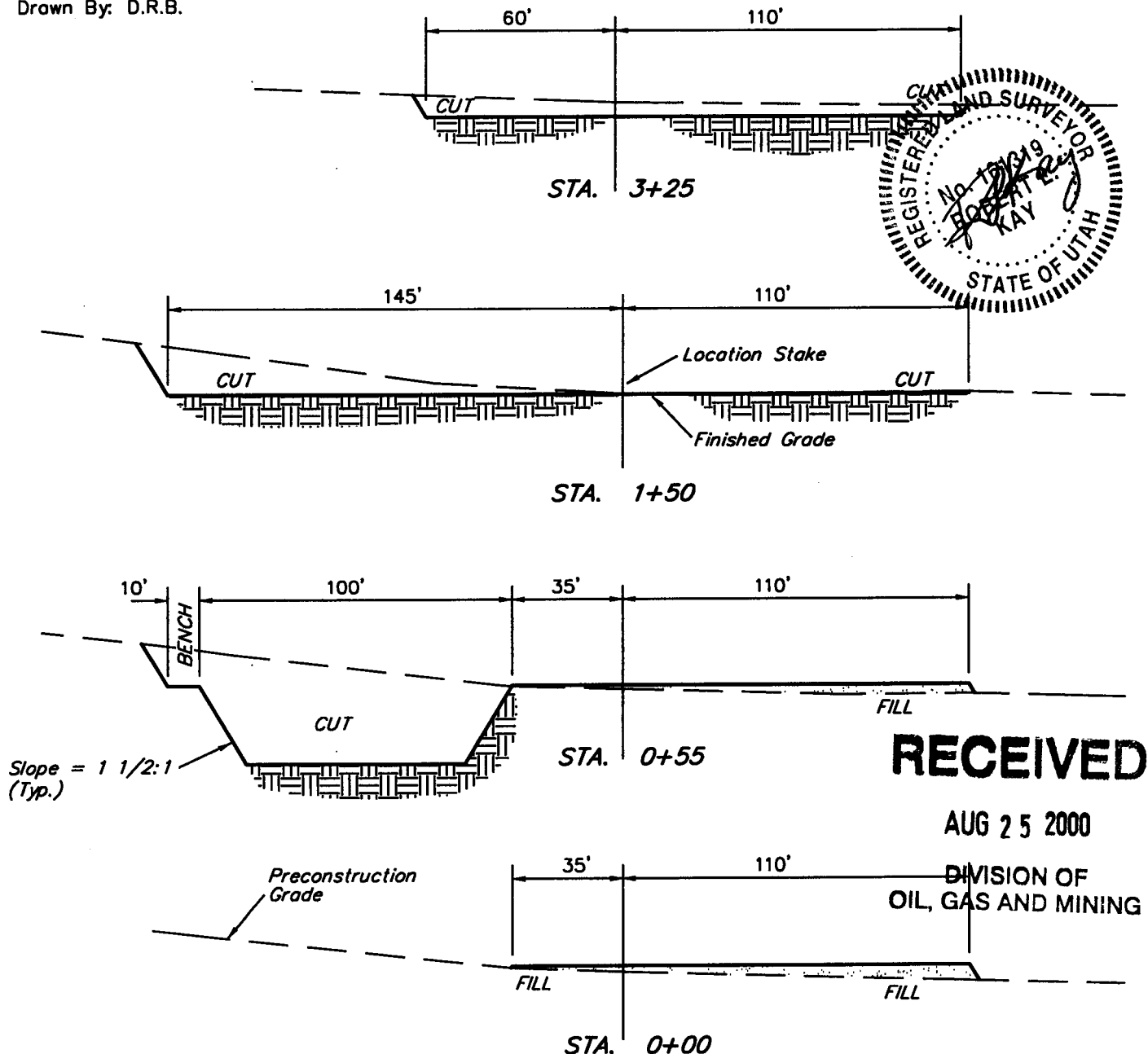
## TYPICAL CROSS SECTIONS FOR

KENNEDY WASH FEDERAL #11-1  
SECTION 11, T8S, R23E, S.L.B.&M.  
1913' FSL 2142' FEL



DATE: 07-10-00

Drawn By: D.R.B.



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### FIGURE #2

#### APPROXIMATE YARDAGES

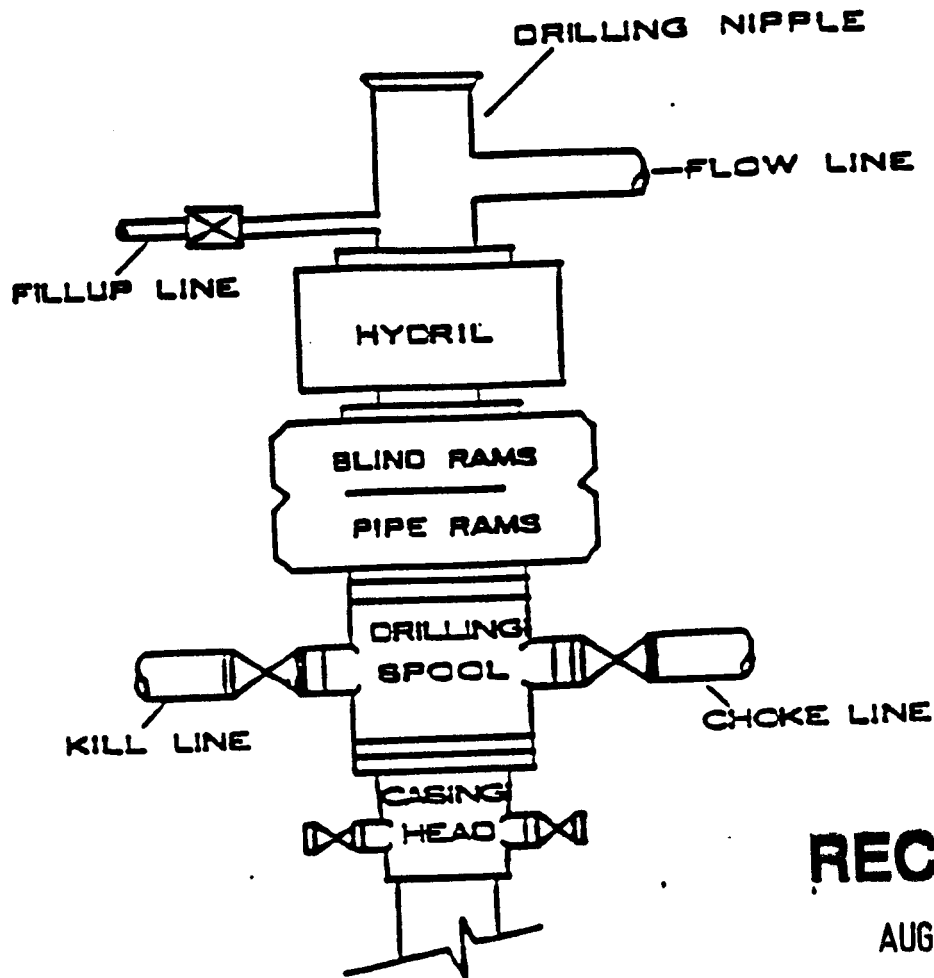
|                        |                        |
|------------------------|------------------------|
| <b>CUT</b>             |                        |
| (6") Topsoil Stripping | = 1,140 Cu. Yds.       |
| Remaining Location     | = 4,630 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>= 5,770 CU.YDS.</b> |
| <b>FILL</b>            | <b>= 960 CU.YDS.</b>   |

|  |                  |
|--|------------------|
| EXCESS MATERIAL AFTER<br>5% COMPACTION     | = 4,760 Cu. Yds. |
| Topsoil & Pit Backfill<br>(1/2 Pit Vol.)   | = 2,480 Cu. Yds. |
| EXCESS UNBALANCE<br>(After Rehabilitation) | = 2,280 Cu. Yds. |

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85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

3,000 PSI

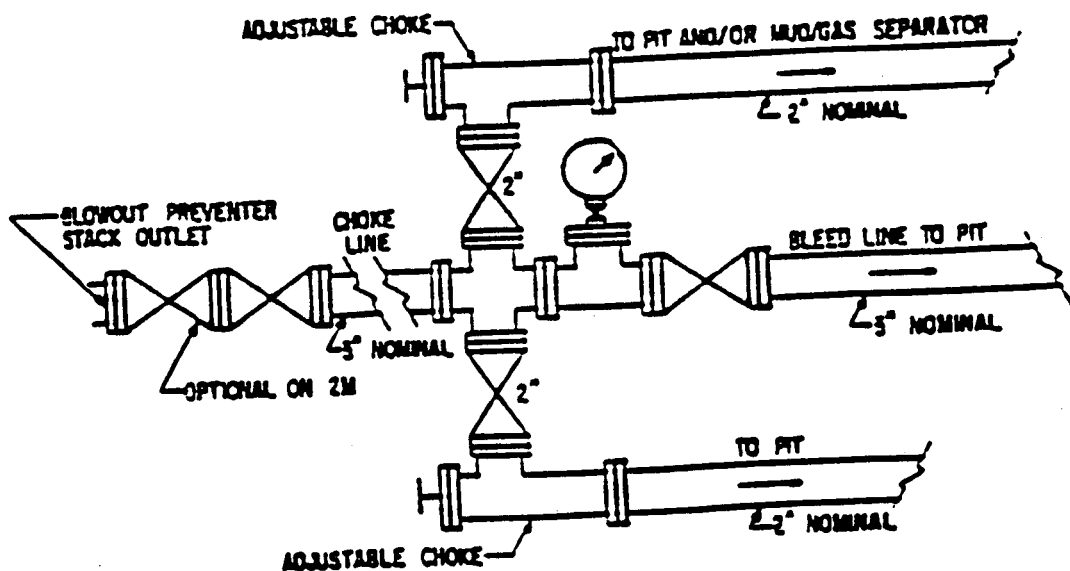
## BOP STACK



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**COASTAL OIL & GAS CORP.**  
**KENNEDY WASH FEDERAL #11-1**  
LOCATED IN UINTAH COUNTY, UTAH  
SECTION 11, T8S, R23E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

**LOCATION PHOTOS**

**7**  
MONTH

**6**  
DAY

**00**  
YEAR

**PHOTO**

TAKEN BY: K.K.

DRAWN BY: J.L.G.

REVISED: 00-00-00

**KENNEDY WASH FEDERAL #11-1  
NW/SE Sec 11, T8S, R23E  
UINTAH COUNTY, UTAH  
U-78228**

**ONSHORE ORDER NO. 1  
COASTAL OIL & GAS CORPORATION  
*DRILLING PROGRAM***

**1. Geologic Surface Formation:**

Duchesne River – 0' – 200'

**2. Estimated Tops/Depths of Important Geologic Markers/Anticipated Gas:**

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> |
|------------------|------------------|--------------|
|                  | KB               | 5377'        |
| Gas              | Green River      | 2152'        |
| Gas              | Wasatch          | 5552'        |
| Gas              | Mesaverde        | 8052'        |
|                  | TD               | 8450'        |

**3. Pressure Control Equipment (Schematic Attached)**

The BOP stack will consist of one 11" 3,000 psi annular BOP, one 11" 3,000 psi double ram, and one 11' drilling spool. The lower ram will contain pipe rams, and the upper ram will contain blind rams.

The choke and kill lines and the choke manifold will have a 3,000 psi minimum pressure rating.

The hydrill will be tested to 1,500 psi. The rams, choke manifold, kelly safety valves, drill string safety valves, and inside BOP will be tested to 2,000 psi.

**4. Proposed Casing & Cementing Program:**

The Surface casing and the Production casing will be new.

Please refer to the attached Casing & Cementing Program.

**5. Drilling Fluids Program:**

Please refer to the attached Drilling Fluids Program.

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**6.      Evaluation Program:** (Logging)

| <u>Depth</u> | <u>Log Type</u>                         |
|--------------|---|
| SC-6200      | DLL/Cal/GR/Density/Neutron/SP/Sonic     |
| 6200-TD      | DLL/Cal/GR/Density/Neutron/SP/Sonic/DST |
| Various      | SWC'S                                   |

**7.      Abnormal Conditions:**

Maximum anticipated bottomhole pressure (TD @ 8450') approximately equals 3,380 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,521 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

**8.      Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

**9.      Variances:**

None anticipated.

**10.     Other:**

A Class III Archaeological Study was conducted by AERC Archaeological Consultants, is attached.

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**KENNEDY WASH FEDERAL #11-1  
NW/SE SEC. 11, T8S, R23E  
UINTAH COUNTY, UTAH  
U-78228**

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

**1. Existing Roads:**

To reach the proposed location: Proceed in a easterly, then southeasterly direction from Vernal, Utah along U.S Highway 40 approximately 3.9 miles to the junction of state highway 45; exit right and proceed in a southerly, then southwesterly direction approximately 21.1 miles on state highway 45 to the junction of this road and an existing road to the southwest; turn right and proceed in a southwesterly, then southwesterly direction approximately 0.8 miles to the beginning of the proposed access road to the northwest; follow road flags in an northwesterly, then southwesterly direction approximately 0.1 miles to the proposed location.

Total distance to Vernal is approximately 27.9 miles.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

**2. Planned Access Roads:**

0.1 miles of access road is proposed. Refer to Topo Map B.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

**3. Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

**4. Location of Existing & Proposed Facilities:**

*The following guidelines will apply if the well is productive.*

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky

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Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Juniper Green as determined during the on-site inspection.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

5. **Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec.32, T4S,R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. **Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

If a plastic reinforced liner is used, it will be a minimum of 12 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

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Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

No reserve pit required, as discussed during the on-site inspection.

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Corners shall be rounded as needed in order to control drainage.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Culvert(s) shall be installed where necessary.

10. **Plans for Reclamation of the Surface:**

*Producing Location:*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

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Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

No liner required, as discussed during the on-site inspection.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

The topsoil shall be piled along the north side of location to the *drop off*, as discussed at the on-site inspection.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

*Dry Hole/Abandoned Location:*

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

The following seed mixture will be used to reclaim the surface. A total of 12 lbs/acre will be used if the seeds are drilled (24 lb/acre if the seeds are broadcast). The per acre requirements for drilled seed are:

|                      |           |
|----------------------|-----------|
| Four wing Salt Brush | 4 lb/acre |
| Indian Rice Grass    | 4 lb/acre |
| Needle & Thread      | 4 lb/acre |

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11. **Surface Ownership:**

Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078  
(435) 789-1362

12. **Other Information:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

13. **Lessee's or Operators's Representative & Certification:**

Cheryl Cameron  
Environmental Analyst  
Coastal Oil & Gas Corporation  
P.O. Box 1148  
Vernal, UT 84078  
(435) 781-7023

Tom Young  
Drilling Manager  
Coastal Oil & Gas Corporation  
9 Greenway Plaza, Suite 2770  
Houston, TX 77046  
(713) 418-4156

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. Coastal Oil & Gas Corporation agrees to be responsible under the terms and the conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for the lease activities is being provided by Coastal Oil & Gas Corporation Bond #102103, BLM Nationwide Bond #U-605382-9.

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COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

COMPANY NAME

Coastal Oil & Gas Corporation

DATE

8/17/00

WELL NAME

KWFU #11-1

TD

8,950' MD/TVD

FIELD

Kennedy Wash Federal Unit

COUNTY

Uintah

STATE

Utah

ELEVATION

5,377'

SURFACE LOCATION

1913' FSL & 2142' FEL of Sec 11, T8S - R 23E

BHL

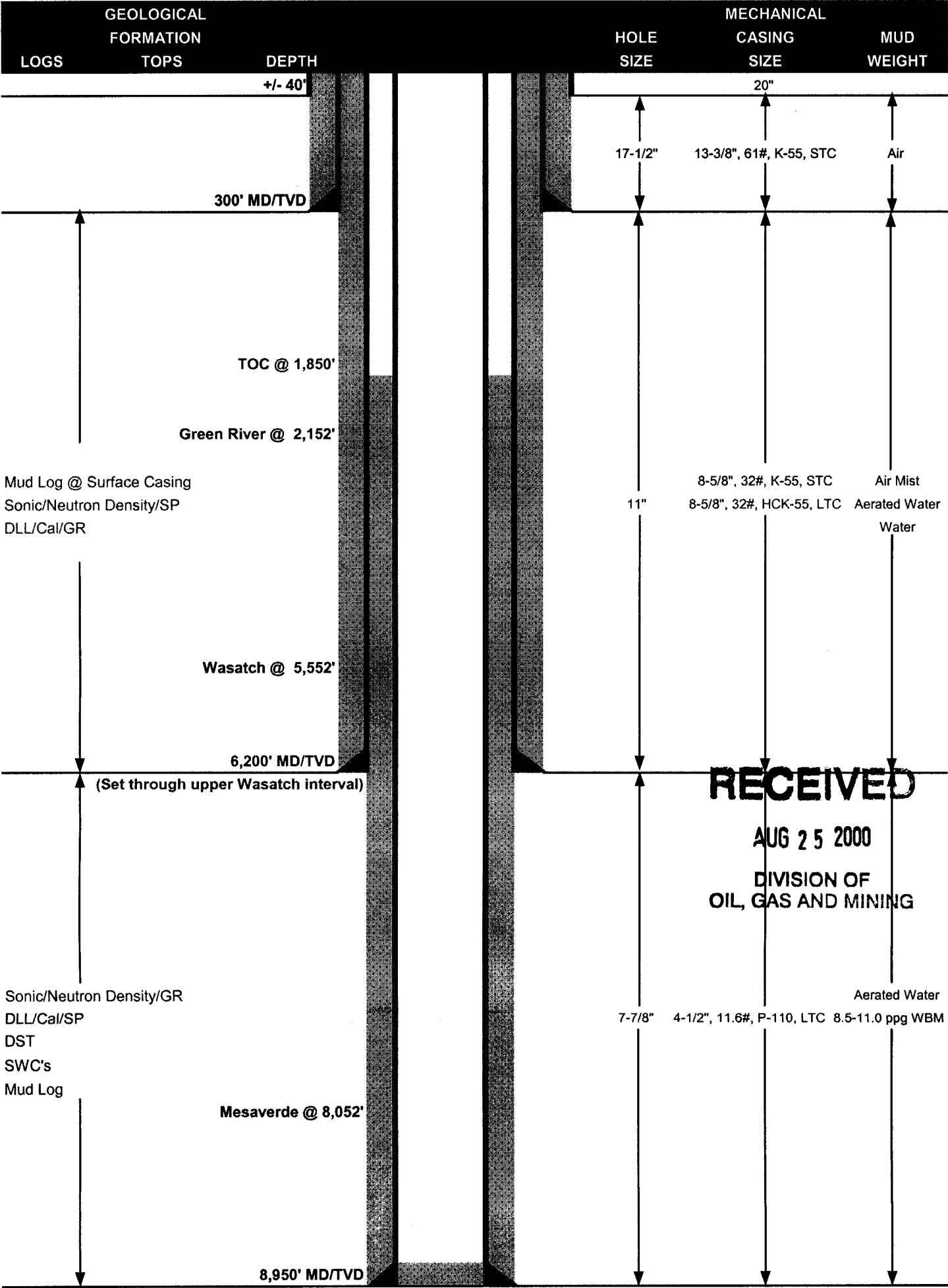
Straight Hole

OBJECTIVE ZONE(S)

Lower Green River, Wasatch, Mesaverde

ADDITIONAL INFO

Set interediate casing through Upper Wasatch



COASTAL OIL & GAS CORPORATION  
DRILLING PROGRAM

CASING PROGRAM

|              |         |          |       |        |       | DESIGN FACTORS |          |         |
|--------------|---------|----------|-------|--------|-------|----------------|----------|---------|
|              | SIZE    | INTERVAL | WT.   | GR.    | CPLG. | BURST          | COLLAPSE | TENSION |
| CONDUCTOR    | 20"     | 0-40'    |       |        |       | 3,090          | 1,540    | 633,000 |
| SURFACE      | 13-3/8" | 0-300'   | 61#   | K-55   | STC   | 18.36          | 10.97    | 5.35    |
|              |         |          |       |        |       | 3,930          | 4,130    | 402,000 |
| INTERMEDIATE | 8-5/8"  | 0-6,200' | 32#   | HCK-55 | STC   | 1.17           | 1.42     | 1.35    |
|              |         |          |       |        |       | 10690          | 7560     | 279000  |
| PRODUCTION   | 4-1/2"  | 0-TD     | 11.6# | P-110  | LTC   | 3.38           | 1.25     | 1.37    |

- 1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe - Gas Gradient (0.115 psi/ft))(TVD)
- 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.052 x 0.33)
- 3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)
- (Burst Assumptions: FG @ 8-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing, 100,000 lbs overpull)

CEMENT PROGRAM

|              |      | FT. OF FILL | DESCRIPTION  | SACKS | EXCESS | WEIGHT | YIELD |
|--------------|------|-------------|--|-------|--------|--------|-------|
| SURFACE      |      | 300         | Class G + 2% CaCl <sub>2</sub>   | 270   | 35%    | 15.60  | 1.19  |
| INTERMEDIATE | LEAD | 1850        | Hyfill Premium + 0.2% Econolite<br>+ 0.25 lb/sk Flocele + 0.2% FWCA<br>+ 10 lb/sk Gilsonite + 16% Gel<br>+ 1% HR-7 + 3% Salt   | 240   | 100%   | 11.00  | 3.90  |
|              | TAIL | 4350        | 50/50 Poz +0.25 lb/sk Flocele<br>+ 0.4% HALAD-322 + 2% Gel<br>+ 0.1% HR-5 + 5% Salt  | 1860  | 100%   | 14.40  | 1.20  |
| PRODUCTION   | LEAD | 3350        | Hyfill Premium + 0.8% Econolite<br>+ 0.25 lb/sk Flocele + 0.2% FWCA<br>+ 10 lb/sk Gilsonite + 16% Gel<br>+ 0.7% HR-7 + 3% Salt | 210   | 0%     | 11.00  | 3.81  |
|              | TAIL | 3800        | Premium + 2% Microbond + 10% Salt<br>+ 0.4% HALAD-322 + 0.2% Gel   | 1010  | 75%    | 14.30  | 1.26  |

\* or 15% over caliper log

FLOAT EQUIPMENT & CENTRALIZERS

|              |   |
|--------------|---|
| SURFACE      | Guide shoe, 1 joint, float collar. Centralize 5' above shoe & every other collar to surface. Thread lock FE & bottom joint. |
| INTERMEDIATE | Float shoe, 1 joints, float collar. Centralize as per production department. Thread lock FE and bottom 3 joints.            |
| PRODUCTION   | Specified by Production Department  |

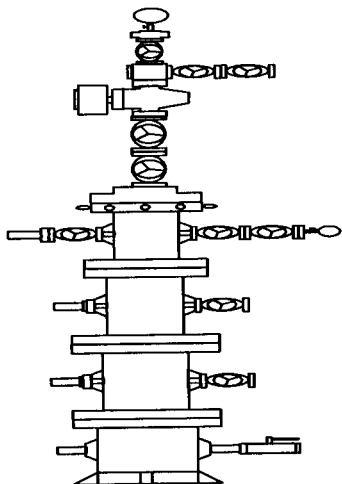
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C"

WELLHEAD EQUIPMENT



|              |                          |
|--------------|--------------------------|
| TREE         | 7-1/16" 5M X 2-1/16" 5M  |
| TUBING HEAD  | 11" 5M X 7-1/16" 5M      |
| CASING SPOOL |                          |
| CASING SPOOL | 13-5/8" 3M X 11" 5M      |
| CASING HEAD  | 13-3/8" SOW X 13-5/8" 3M |

COASTAL OIL & GAS CORPORATION  
DRILLING PROGRAM

BIT PROGRAM

| ROCK BIT & PDC BIT PROGRAM |         |                 |     |        |          |                |
|----------------------------|---------|-----------------|-----|--------|----------|----------------|
| INTERVAL                   | HOLE    | BIT MFG & MODEL | GPM | SERIAL | NZLS     | COMMENTS       |
| Surface Hole               | 17-1/2" | Various         |     |        |          | Pre-set        |
|                            |         |                 |     |        |          |                |
| 300'-6,200'                | 11"     | Various         | 350 | New    | 3 - 18's | Air / Mist     |
|                            |         |                 |     |        |          |                |
| 6,200'-TD                  | 7-7/8"  | Various (PDC)   | 400 | Rental | 0.5 TFA  | MM Application |
|                            |         |                 |     |        |          |                |
|                            |         |                 |     |        |          |                |
|                            |         |                 |     |        |          |                |
|                            |         |                 |     |        |          |                |

GEOLOGICAL DATA

LOGGING:

| Depth     | Log Type                                |
|-----------|---|
| SC - 6200 | DLL/Cal/GR/Density/Neutron/SP/Sonic     |
| 6200 - TD | DLL/Cal/GR/Density/Neutron/SP/Sonic/DST |
| Various   | SWC's                                   |

MUD LOGGER:

SAMPLES:

CORING:

DST:

|                |
|----------------|
| SC - TD        |
| As per Geology |
| As per Geology |
| As per Geology |

MUD PROGRAM

| DEPTH      | TYPE                       | MUD WT         | WATER LOSS    | VISCOSITY   | TREATMENT  |
|------------|----------------------------|----------------|---------------|-------------|--|
| 0-Trona    | Air Mist                   | NA             | NA            |             | Treat with corrosion chemicals                               |
| Trona-Intm | Aerated Water<br>Water     | NA             | NC            | NA          | Treat with corrosion chemicals<br>Polymer, Lime, LCM         |
| Intm-TD    | Aerated Water<br>Water/Mud | NA<br>8.5-11.0 | NC<br>15-10cc | NA<br>30-45 | Treat with corrosion chemicals<br>Polymer, Lime, LCM, Barite |
|            |                            |                |               |             |  |

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,000 psi prior to drilling out. Test int. csg. to 1,500 psi prior to drilling out. BOPE to intermediate: 13-5/8" 3M with one 3M annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. BOPE to TD: 11" 5M with one 5M annular and 2 rams. Test to 5,000 psi (annular to 3,000 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves. Corrosion treatment while drilling with air - RU160 then pump O<sub>2</sub> scavanger and proceed with scale inhibitor only. Run Totco survey every 1500' from surface casing shoe to TD. Maximum allowable hole angle is 5 degrees.

PROJECT ENGINEER:

Christa Yin

DATE:

PROJECT MANAGER:

Tom Young

DATE:



# **CULTURAL RESOURCE EVALUATIONS OF FIVE PROPOSED COASTAL OIL & GAS WELLS (UNITS 3-1, 4-1, 6-1, 11-1, & 14-1) IN THE KENNEDY WASH LOCALITY OF UINTAH COUNTY, UTAH**

**Report Prepared for Coastal Oil & Gas Corporation**

Department of Interior Permit No.: Ut-54937

Utah State Permit No.: Ut00AF00461b

AERC Project 1651 (COG00-19)

Author of Report:  
F. Richard Hauck, Ph.D



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**ARCHEOLOGICAL-ENVIRONMENTAL RESEARCH CORPORATION**

181 North 200 West, Suite 5 - Bountiful, Utah 84010

P.O. Box 853, Bountiful, Utah 84011

Phone: (801) 292-7061, 292-9668

FAX: (801) 292-9668

E-mail: [ari@xmission.com](mailto:ari@xmission.com) Web page: [www.ari-aerc.org](http://www.ari-aerc.org)

**August 8, 2000**

## **ABSTRACT**

An intensive cultural resource evaluation has been conducted for Coastal Oil & Gas Corporation of five proposed well locations including Kennedy Wash Federal #4-1, #14-1, #11-1, #6-1 and #3-1 and their associated 150 foot-wide access and pipeline corridors. This unit is situated on Bureau of Land Management (BLM) lands in the Glen Bench locality of Uintah County, Utah. This evaluation was conducted by AERC archaeologists F.R. Hauck, Alan Hutchinson, and Michael Hauck on July 28, 2000. A total of 66.1 acres was involved in this project.

No previously recorded significant or National Register eligible cultural resources will be adversely affected by the proposed developments. Non-significant site 42UN1427, a historic trash scatter, is situated within the ten acre survey area for Unit 3-1. AERC does not recommend avoidance or mitigation of this site.

No diagnostic isolated artifacts were observed or collected during the evaluations.

No newly identified cultural resource activity loci were discovered during the examinations. An isolated projectile point fragment was recovered from the well pad location for Unit 6-1.

AERC recommends project clearance based on adherence to the stipulations noted in the final section of this report.

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## **GENERAL INFORMATION**

On July 28, 2000, AERC archaeologists F. Richard Hauck, Alan Hutchinson, and Michael Hauck conducted an intensive cultural resource evaluation for Coastal Oil & Gas Corporation of Vernal, Utah. This examination involved the proposed well locations in Kennedy Wash Federal units 4-1, 14-1, 11-1, 6-1, and 3-1 and their associated access/pipeline corridors. These units are situated on BLM land in the Glen Bench locality of Uintah County, Utah (see Maps 1 - 4). About 66.1 acres of public lands in the locality were examined by the above-mentioned AERC archaeologists during an on-site evaluation conducted the same date. Pipeline corridors for three of the five proposed well locations were included in the 150 foot corridor evaluations conducted for the access routes. These linear evaluations include a total of 1.44 miles of access/pipeline corridor relative to the three locations or 0.37 miles for unit 4-1, 0.12 miles for unit 11-1, and 0.95 miles for unit 6-1. Units 14-1 and 3-1 were directly accessible by road and did not require corridor access evaluation.

The purpose of the field study and this report is to identify and document cultural site presence and assess National Register potential significance relative to established criteria (cf., Title 36 CFR 60.6). The proposed development of these well locations and associated access/pipeline corridors requires an archaeological evaluation in compliance with U.C.A. 9-8-404, the Federal Antiquities Act of 1906, the Reservoir Salvage Act of 1960-as amended by P.L. 93-291, Section 106 of the National Historic Preservation Act of 1966-as amended, the National Environmental Policy Act of 1969, the Federal Land Policy and Management Act of 1976, the Archaeological Resources Protection Act of 1979, the Native American Religious Freedom Act of 1978, the Historic Preservation Act of 1980 and Executive Order 11593.

In addition to documenting cultural identity and significance, mitigation recommendations relative to the preservation of cultural data and materials can be directed to the Vernal Office of the BLM [and to the Utah State Antiquities Section]. This work was done under U. S. Department of Interior Permit for Utah UT-00-54937, which expires on January 31, 2001.

The investigation of the approximate 66.1 acres at the sites was accomplished by walking a series of 10 to 20 meter-wide transects within the staked area and within the 50 meter-wide access/pipeline corridors.

All field notes and report information concerning this project are filed at the AERC office, Bountiful, UT.

## **Project Location**

The project area is about 27 miles southeast of Vernal, UT. The development is located in the Kennedy Wash locality of the Glen Bench region. Well locations are identifiable on the Red Wash and Red Wash NW topographic quads. The proposed development area is located as follows:

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**MAP 1**  
**GENERAL PROJECT AREA IN**  
**UINTAH COUNTY, UTAH**



**PROJECT: COG00-19**  
**SCALE: 1: 200,650**  
**DATE: 8/05/00**



**PROJECT AREA**

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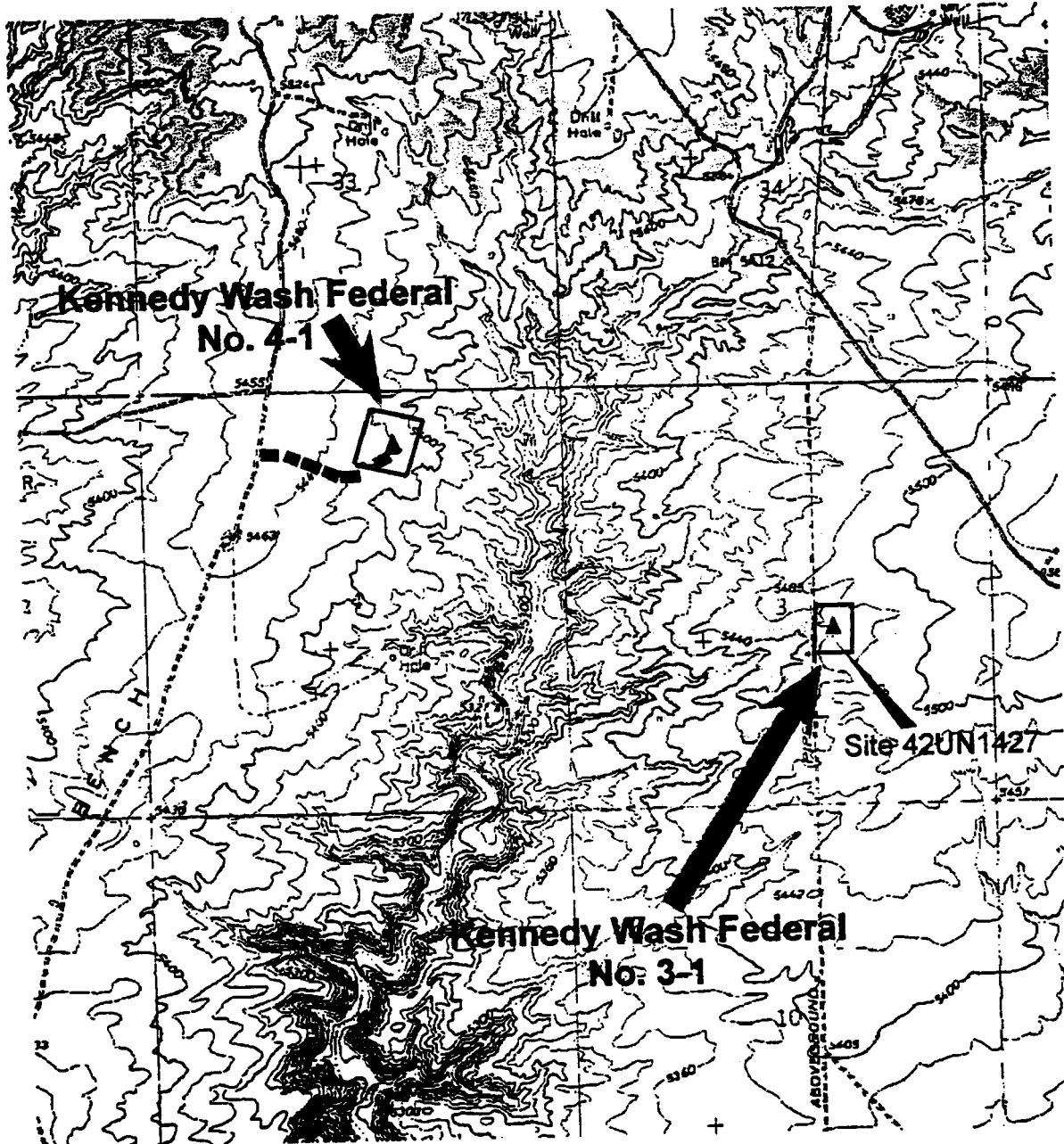
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**TOWNSHIP: multiple**  
**RANGE: multiple**  
**MERIDIAN: multiple**

Utah Geological and Mineral Survey  
 Map 43 1977

Physiographic Subdivisions of Utah  
 by W.L. Stokes

PROJECT: COG00-19  
 SCALE: 1:24,000  
 QUAD: Red Wash  
 DATE: August 8, 2000

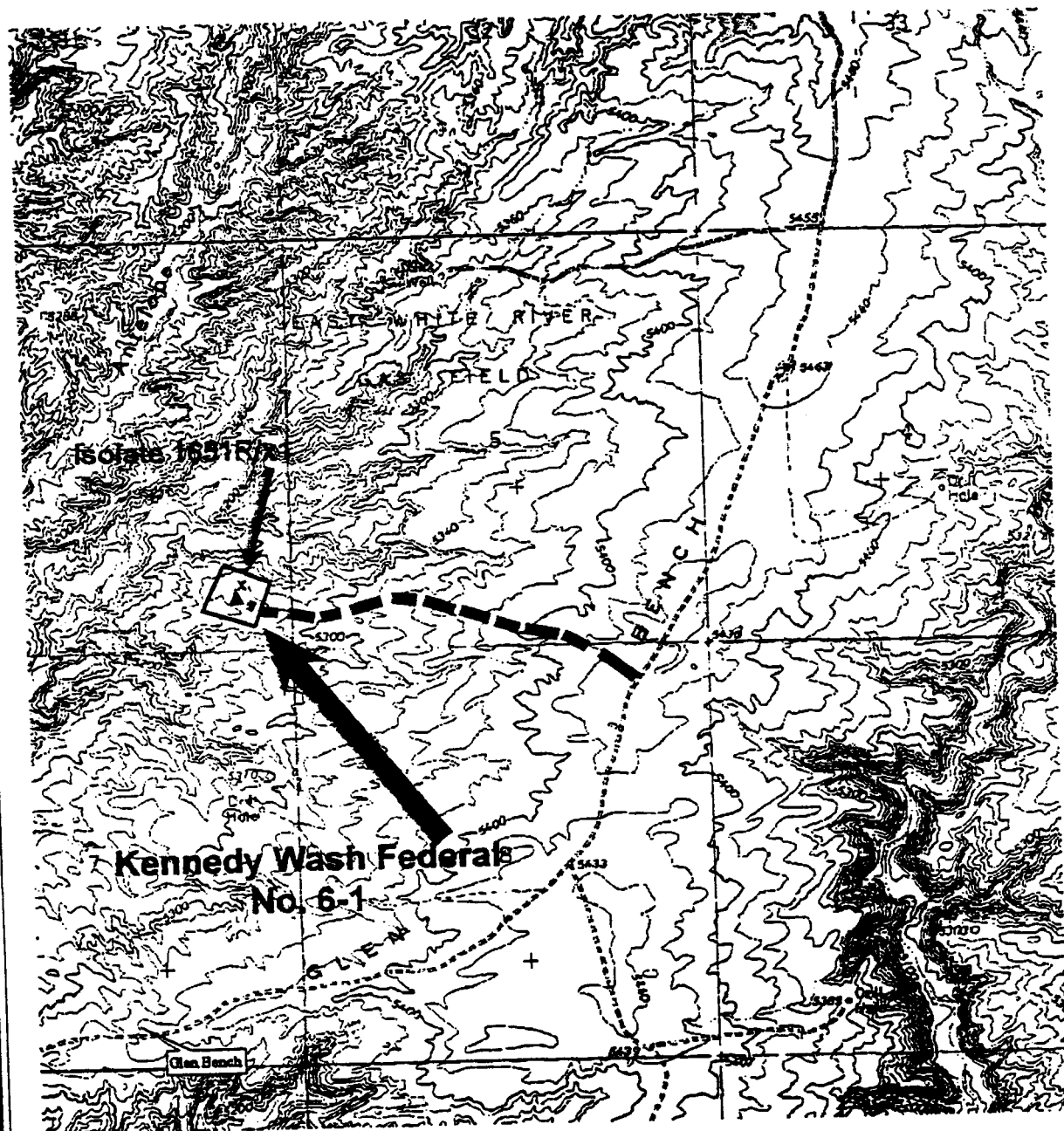


TOWNSHIP: 8 South  
 RANGE: 23 East  
 MERIDIAN: Salt Lake B. & M.

# LEGEND

- ▲ Well Location
- Survey Area
- Access Route
- Prehistoric Site

PROJECT: COG00-19  
 SCALE: 1:24,000  
 QUAD: Red Wash, Utah  
 DATE: August 5, 2000



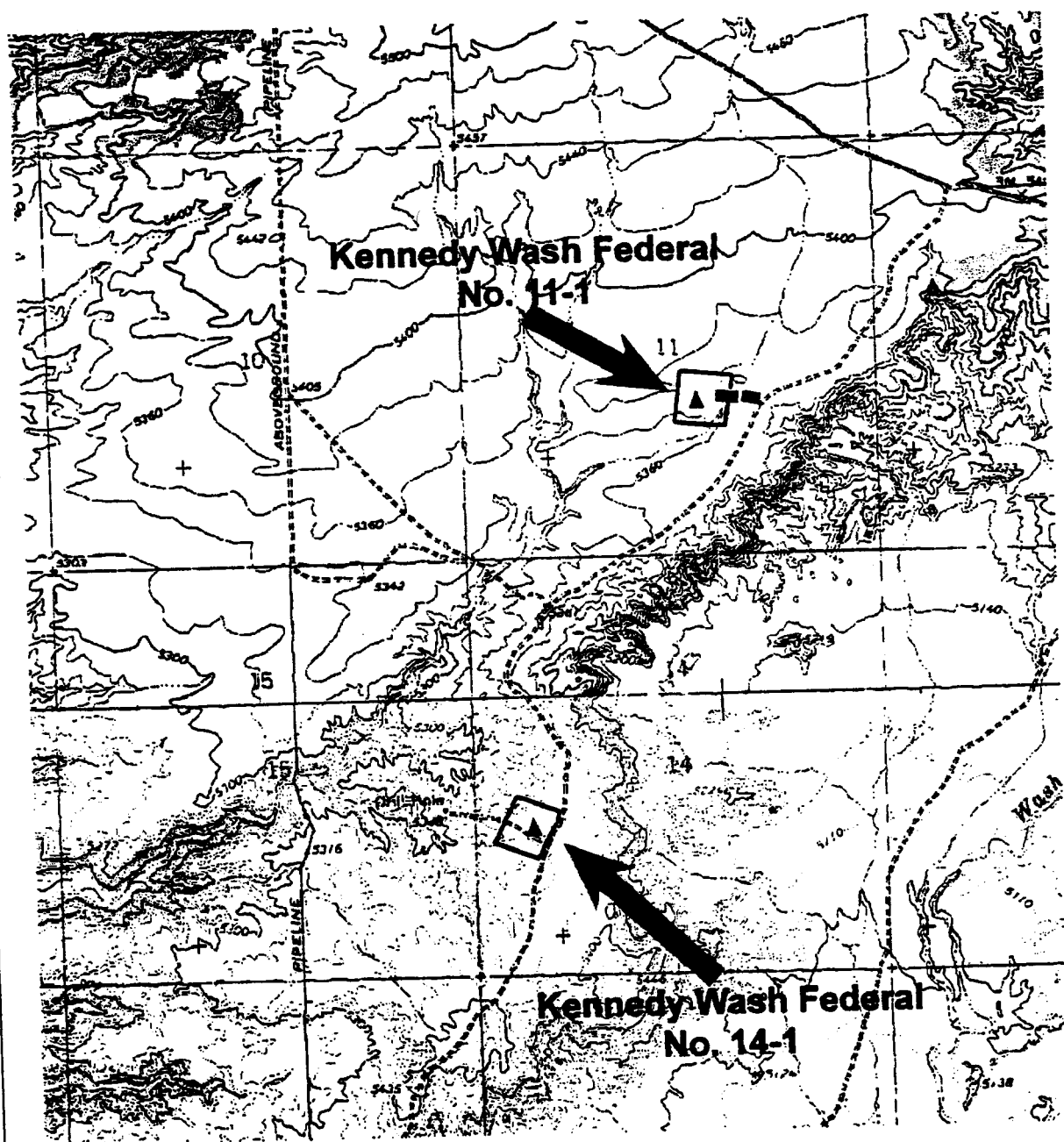
TOWNSHIP: 8 South  
 RANGE: 23 East  
 MERIDIAN: Salt Lake B. & M.

# LEGEND

- ▲ Well Location
- Survey Area
- Access Route
- x Isolated Artifact



PROJECT: COG00-19  
 SCALE: 1:24,000  
 QUAD: Red Wash, &  
 Red Wash SE, Utah  
 DATE: August 5, 2000



TOWNSHIP: 8 South  
 RANGE: 23 East  
 MERIDIAN: Salt Lake B. & M.

LEGEND

▲ Well Location  
 □ Survey Area

Access Route

UTAH

**Federal Well Unit 3-1** (see Map 2) is located in the northwest quarter of the southeast quarter of Section 3, Township 8 South, Range 23 East (Uintah B. & M.). This unit is directly accessible by an existing roadway connection with State Highway #45.

**Federal Well Unit 4-1** (see Map 2) is located in the northwest quarter of the northeast quarter of Section 4, Township 8 South, Range 23 East (Uintah B. & M.). This unit is accessible by a pipeline corridor that is 1,938 feet (0.37 mile) from the State Highway #45.

**Federal Well Unit 6-1** (see Map 3) is located in the southeast quarter of the southeast quarter of Section 6, Township 8 South, Range 23 East (Uintah B. & M.). This unit is accessible via 5,000 foot-long (0.95 mile) proposed access/pipeline corridor.

**Federal Well Unit 11-1** (see Map 4) is located in the northwest quarter of the southeast quarter of Section 11, Township 8 South, Range 23 East (Uintah B. & M.). This unit is accessible via a 625 foot-long (0.12 mile) proposed access/pipeline corridor.

**Federal Well Unit 14-1** (see Map 4) is located in the northwest quarter of the southwest quarter of Section 14, Township 8 South, Range 23 East (Uintah B. & M.). This unit is directly accessible by State Highway #45.

### **Environmental Description**

The project area is within the 5300 to 5450 foot elevation zone above sea level. Ephemeral drainages in the project area are associated with tributaries that drain westward into the Green River or the White River.

The vegetation in the project area is primarily associated with the sage rangeland environment. Vegetation species commonly include *Chrysothamnus nauseosus*, *Artemisia tridentata*, *Opuntia polyacantha*, *Sarcobatus vermiculatus*, *Ephedra* spp., *Atriplex* spp. and a variety of grasses including *Hordeum jubatum* and *Bromus tectorum*. Surrounding vegetation consists of *Artemisia tridentata* and *Ephedra* spp.

The project area is situated in the Colorado Plateau physiographic province.

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### **PREVIOUS RESEARCH IN THE LOCALITY**

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Records searches of the site files and maps were conducted at the Vernal District Area office on July 28, 2000 and at the Antiquities Section of the State Historic Preservation Office in Salt Lake City on August 8, 2000. Earlier projects conducted in this general area include the

following: 79NH278, 79NH297, 81DB0620, 83BC420, 82Wk0527, 88MM506, 90AF133, 91AF301 and 91AF133.

Other archaeological consultants, in addition to the local BLM archaeologists, who have worked in the project area include personnel from Montgomery Archaeological Consultants, Alpine Archaeological Consultants, Nickens and Associates and Grand River Institute.

Previous evaluations and area inventories indicate the occupation of the general project area has included prehistoric occupations (cultural affiliation unknown). For a comprehensive treatment of the prehistory and history of this general cultural area, see the following citations listed among the references: Hauck, 1991; Hauck 1993b; Hauck, et al., 1997b.

The National Register of Historic Places has been consulted and no registered historic or prehistoric properties will be affected by the proposed developments.

### **STUDY OBJECTIVES AND EXPECTED RESULTS**

The purpose of this evaluation was:

- ▶ to identify, evaluate and record any cultural resources encountered within the proposed Coastal Oil & Gas development area;
- ▶ to determine the significance of identified resources; and
- ▶ to recommend appropriate mitigation measures relative to the preservation of resources found to be endangered by the projects.

These objectives were accomplished by seeking surface indications of cultural resource presence. Cultural resource sites would be identified by the presence of three or more associated artifacts and/or features that demonstrate the presence of patterned human activity and then recorded on the appropriate IMACS forms.

The previous identification of prehistoric and historic cultural resources in the general area indicated a possibility that additional resources could be discovered during these evaluations.

No constraints, e.g., snow cover, dense vegetation, difficult weather were imposed during the evaluation of these well locations. The field phase of the project was completed on July 28, 2000.

### **Site Potential in the Project Development Zone**

Previous archaeological evaluations in the general project area have resulted in the identification and recording of a limited archaeological resources on Glen Bench. Such prehistoric sites as have been recorded demonstrate a definitive selection of environmental community and water resource.

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## **FIELD EVALUATIONS**

### **Methodology**

To accomplish an intensive evaluation of the project areas shown on Maps 2-4 the archaeologists walked a series of 10 to 20 meter wide transects within each ten acre staked location and along the 50 meter-wide access/pipeline corridors. All together, a 100% pedestrian survey was conducted of about 66.1 acres.

Observation of cultural materials resulted in intensive examinations to determine the nature of the resource. This included a careful search of the vicinity to locate and evaluate features, artifact types and concentrations, site spatial associations and temporal identifications. Sites and isolates were then recorded on the appropriate forms, locations sketched, perimeters marked on a topographic map and photographs taken. Copies of these findings are provided to the appropriate State and Federal offices as attachments to the final report.

In certain instances, the cultural sites are then evaluated for depth potential utilizing AERC's portable Ground Penetrating Radar (GPR) computerized system (SIR-2 manufactured by Geophysical Survey Systems, Inc. [GSSI] of North Salem, New Hampshire). GPR was not used during this project.

Cultural sites are then evaluated for significance utilizing the standards described below and mitigation recommendations are considered as a means of preserving significant resources which may be situated within the development zone.

### **Site Significance Criteria**

Prehistoric and historic cultural sites which can be considered as eligible for nomination to the National Register of Historic Places have been outlined as follows in the National Register's Criteria for Evaluation as established in Title 36 CFR 60.6:

*The quality of significance in American ... archaeology ... and culture is present in ... sites ... that possess integrity of location, design, setting, materials, workmanship, feeling, and association and:*

- a. That are associated with events that have made a significant contribution to the broad patterns of our history; or*
- b. that are associated with the lives of persons significant in our past; or*
- c. that embody the distinctive characteristics of a type, period, or method of construction ... ; or*
- d. that have yielded, or may be likely to yield, information important in prehistory or history.*

In addition to satisfying one or more of these general conditions, a significant cultural

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resource site in Utah will generally be considered as being eligible for inclusion in the National Register if it should advance our current state of knowledge relating to chronology, cultural relationships, origins, and cultural life ways of prehistoric or historic groups in the area.

In a final review of any site's cultural significance, the site must possess integrity and at least one of the above criteria to be considered eligible for nomination to the National Record of Historic Places.

### **Results of the Inventory**

During the surveys of the various corridors and well locations referenced in this report, cultural resources were encountered as sites or isolated finds.

No previously recorded significant cultural resources will be adversely affected by the proposed developments. Site 42UN1427, a non-significant historic trash scatter, is situated within the ten acre survey area for Unit 3-1. AERC does not recommend avoidance or mitigation of this site. Other known cultural sites in the vicinity of various well locations include 42UN1165, 42UN1351, 42UN1351, and 42UN1428. These sites are not endangered by direct adverse effect relative to these developments because they are outside the development areas.

One isolated diagnostic artifact was observed and collected during the survey. This artifact consists of a Paleoindian projectile point midsection recorded as 1651R/x1. It consists of Parachute Creek chert prepared in a parallel matrix. Tool exhibits no evidence of fluting and therefore may be a Midland variety related to early Paleoindian occupations (Llano) in the region. It was recovered from the proposed well pad for Unit 6-1 (see Map 3). A careful search in the vicinity failed to identify any additional artifacts or features. The soils at this location consist of stabilized aeolian deposits and have a potential for containing depth. The lack of any debitage in the adjacent rodent burrows and depressions indicates this artifact is probably not associated with an occupation but was lost during hunting activities, and as such, consists of an isolated point fragment. For this reason, AERC is not recommending a cultural monitoring of the construction and blading activities at this location.

No previously unidentified cultural resource loci were identified during the examinations.

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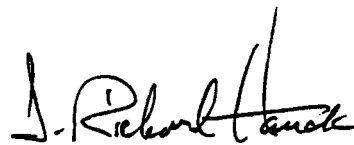
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OIL, GAS AND MINING

## **CONCLUSION AND RECOMMENDATIONS**

AERC recommends that a cultural resource clearance be granted to Coastal Oil & Gas Corporation relative to the development of Kennedy Wash Units 3-1, 4-1, 6-1, 11-1, and 14-1 based upon adherence to the following stipulations:

1. All vehicular traffic, personnel movement and construction should be confined to the flagged location, pipeline corridors or access routes examined as referenced in this report and to the existing roadways;
2. all personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area; and
3. the principal authority should be consulted should cultural remains from subsurface deposits be exposed during exploratory and developmental work or if the need arises to relocate or otherwise alter the location of the development area.



F. Richard Hauck, Ph.D.  
President and Principal  
Investigator

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## **REFERENCES**

**Billat, Scott and Lorna Billat**

1983 Archaeological Survey of the Vernal-Bonanza 138 kv Line. (Ut-83-BC-420b).

**Chandler, Scott and Paul Nickens**

1979 Archaeological Investigations of Coal Development Areas & Coal Transport Corridors for the Moon Lake Project. Nickens and Associates (Ut-79-NH-278), Montrose.

**Christensen, Diana**

1981 Archaeological Survey of the Bonanza-Castle Peak-Upalco Transmission Line, Bonanza Power Plant / Moon Lake Project 1981. Report Prepared for Nickens and Associates, Montrose, Colorado.

**Hauck, F. Richard**

1991 Archaeological Evaluations on the Northern Colorado Plateau Cultural Area, AERC Paper No. 45, Archeological-Environmental Research Corporation, Bountiful.

1992a Cultural Resource Evaluation of a Proposed Pipeline Corridor and Three Well Locations in the Wild Horse Bench Locality of Uintah County, Utah (UT-92-AF-192b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.

1992b Cultural Resource Evaluation of None Proposed Well Locations in the Wild Horse Bench and Seep Ridge Road Localities of Uintah County, Utah (UT-92-AF-226b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.

1992c Cultural Resource Evaluation of 13 Proposed Well Locations in the Wild Horse Bench and Seep Ridge Road Localities of Uintah County, Utah (UT-92-AF-326b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.

1993a Cultural Resource Evaluation of Proposed CNG Well Unit No. 5-25B in the Willow Creek Locality of Uintah County, Utah (UT-93-AF-642b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.

1993b Cultural Resource Evaluation of Proposed CNG Wells (Unit No. 6-25B & 11-25B) in the Willow Creek Locality of Uintah County, Utah (UT-93-AF-707b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.

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- 1997a Cultural Resource Evaluation of Three Proposed CNG Units (8-23F, 3-14F, and 12-23F) in the Willow Creek Locality of Uintah County, Utah (UT-97-AF-0145b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1997b Cultural Resource Evaluation of Six Proposed Wells Locations and Associated Access Corridors (Units 1-15F, 9-15F, 3-15F, 12-15F, 15-16F, and 1-21F) in the Willow Creek Locality of Uintah County, Utah (UT-97-AF-0191i). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1997c Cultural Resource Evaluation of Two Proposed CNG Units (9-18F and 14-19F) in the Willow Creek Locality of Uintah County, Utah (UT-97-AF-0190b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1997d Cultural Resource Evaluation of Three Proposed CNG Units (13-10E, 13-18F2 and 6-19F) in the Wild Horse Bench Locality of Uintah County, Utah (UT-97-AF-0504b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1998a Cultural Resource Evaluation of Five Proposed CNG Units (1-10F, 15-15F, 8-22F, 11-22F, and 16-22F) in the Willow Creek Locality of Uintah County, Utah (UT-98-AF-0052i,b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1998b Cultural Resource Evaluation of a Proposed Well Location and Access Route in the Willow Creek Locality of Uintah County, Utah (UT-98-AF-0546i). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1999a Cultural Resource Evaluation of Four Proposed Drilling Locations on Ute Tribal Lands in the Willow Creek Locality of Uintah County, Utah (UT-99-AF-0268i). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1999b Cultural Resource Evaluation of Five Proposed Drilling Locations on Federal (BLM) Lands in the Willow Creek - Wild Horse Bench Locality of Uintah County, Utah (UT-99-AF-0268b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 1999c Cultural Resource Evaluation of River Bend Unit 5-20F in Uintah County, Utah (UT-99-AF-0739b). Report Prepared for CNG Producing Company by Archaeological-Environmental Research Corporation, Bountiful.
- 2000a Cultural Resource Evaluation of Three Proposed Units in the Kennedy Wash Locality (State Unit 16-1, Federal Unit 13-1, and Federal Unit 8-1) in Uintah County, Utah (UT-00-AF-00267bs). Report Prepared for Coastal Oil & Gas Corporation by

Archaeological-Environmental Research Corporation, Bountiful.

2000b Cultural Resource Evaluation of Five Proposed Units in the Kennedy Wash Locality (Kennedy Wash Nos. 4-1, 14-1, 11-1, 6-1, and 3-1) in Uintah County, Utah (UT-00-AF-00461b). Report Prepared for Coastal Oil & Gas Corporation by Archaeological-Environmental Research Corporation, Bountiful.

Hauck, F.R. and Garth Norman

1980 Final Report on the Mapco River Bend Cultural Mitigation Study. AERC Paper No. 18, of the Archeological-Environmental Research Corporation, Bountiful.

Hauck, F.R. and Dennis Weder

1989 Pariette Overlook: A Paleoindian Quarry Site in the Pariette Draw Locality of Uintah County, Utah. AERC Paper No. 42, of the Archeological-Environmental Research Corporation, Bountiful.

Larralde, Sigma and Paul Nickens

1981 Archaeological Inventory in the Red Wash Cultural Study Tract of Uintah County, Utah. Nickens and Associates (Ut-79-NH-287), Montrose.

Stokes, W.L.

1977 Physiographic Subdivisions of Utah. Map 43, Utah Geological and Mineral Survey, Salt Lake City.

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U.S.  
Department of the Interior  
Bureau of Land Management  
Utah State Office  
(AERC FORMAT)

Project  
Authorization U.O.O.A.F.0.4.6.1.b.  
Report Acceptable Yes ☐ No ☐  
Mitigation Acceptable Yes ☐ No ☐  
Comments: \_\_\_\_\_

Summary Report of  
Inspection for Cultural Resources

5 COASTAL WELL LOCATION IN THE KENNEDY  
WASH LOCALITY OF UINTAH CO.

1. Report Title . . . . . Coastal Oil & Gas Corporation

2. Development Company \_\_\_\_\_

0 8 8 2 0 0 0

UT-00-54937

3. Report Date . . . . . 4. Antiquities Permit No. \_\_\_\_\_  
A E R C COG00 - 19

5. Responsible Institution . . . . . County Uintah

6. Fieldwork

Location: TWN .0.8.S. . RNG .2.3 E. . Sections 3, 4, 5, 6, 8, 11, 14

7. Resource Area .BC.

8. Description of Examination Procedures: The archeologists, F.R. Hauck, Alan Hutchinson, & Michael Hauck examined the proposed well locations and those access routes by walking 10 to 20 meter-wide transects in the ten acre parcels and along the 150 foot-wide access corridors centered on the flagged center-line.

9. Linear Miles Surveyed . . . . .

10. Inventory Type . . . . .

and/or  
Definable Acres Surveyed . . . . .

R = Reconnaissance  
I = Intensive  
S = Statistical Sample

and/or  
Legally Undefinable 6 6 . 1  
Acres Surveyed . . . . .

11. Description of Findings:

12. Number Sites Found .0. . . . .

One archaeological site (42UN1427) consisting of (No sites = 0)  
a previously recorded, historic, non-significant trash  
scatter is situated within the survey area for Unit 3-1.  
Avoidance of this site is not recommended.

Isolated find 1651R/x1, a Paleoindian 13. Collection: .Y.  
Projectile point midsection was collected (Y = Yes, N = No)  
from the pad locality of Unit 6-1.

14. Actual/Potential National Register Properties Affected:

The National Register of Historic Places (NRHP) has been consulted and no  
registered properties will be affected by the proposed development.

15. Literature Search, Location/ Date: Utah SHPO 8-8-00 Vernal BLM 7-28-00

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16. Conclusion/ Recommendations:

AERC recommends that a cultural resource clearance be granted to Coastal Oil & Gas Company for the proposed developments based on the following stipulations:

1. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the flagged areas, well pads and corridors examined as referenced in this report, and to the existing roadways and/or evaluated access routes.
2. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
3. The authorized official should be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the exploration area.

---

17. Signature of Administrator & Field Supervisor

Administrator:

*J. T. Hauck*

Field  
Supervisor:

UT 8100-3 (2/85)

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**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/25/2000

API NO. ASSIGNED: 43-047-33666

WELL NAME: KENNEDY WASH FED 11-1  
OPERATOR: COASTAL OIL & GAS CORP ( N0230 )  
CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

**PROPOSED LOCATION:**

NWSE 11 080S 230E  
SURFACE: 1913 FSL 2142 FEL  
BOTTOM: 1913 FSL 2142 FEL  
UINTAH  
UNDESIGNATED ( 2 )

LEASE TYPE: 1-Federal  
LEASE NUMBER: U-78228  
SURFACE OWNER: 1-Federal

PROPOSED FORMATION: MVRD

INSPECT LOCATN BY: / /

| Tech Review | Initials | Date |
|-------------|----------|------|
| Engineering |          |      |
| Geology     |          |      |
| Surface     |          |      |

**RECEIVED AND/OR REVIEWED:**

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. U-605382-9 )  
☐ Potash (Y/N)  
☐ Oil Shale (Y/N) \*190 - 5 (B)  
☒ Water Permit  
(No. 43-8496 )  
☐ RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )  
☐ Fee Surf Agreement (Y/N)

**LOCATION AND SITING:**

☐ R649-2-3. Unit \_\_\_\_\_  
☒ R649-3-2. General  
Siting: \_\_\_\_\_  
☐ R649-3-3. Exception  
☐ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_  
☐ R649-3-11. Directional Drill

**COMMENTS:**

**STIPULATIONS:**

① FEDERAL APPROVAL



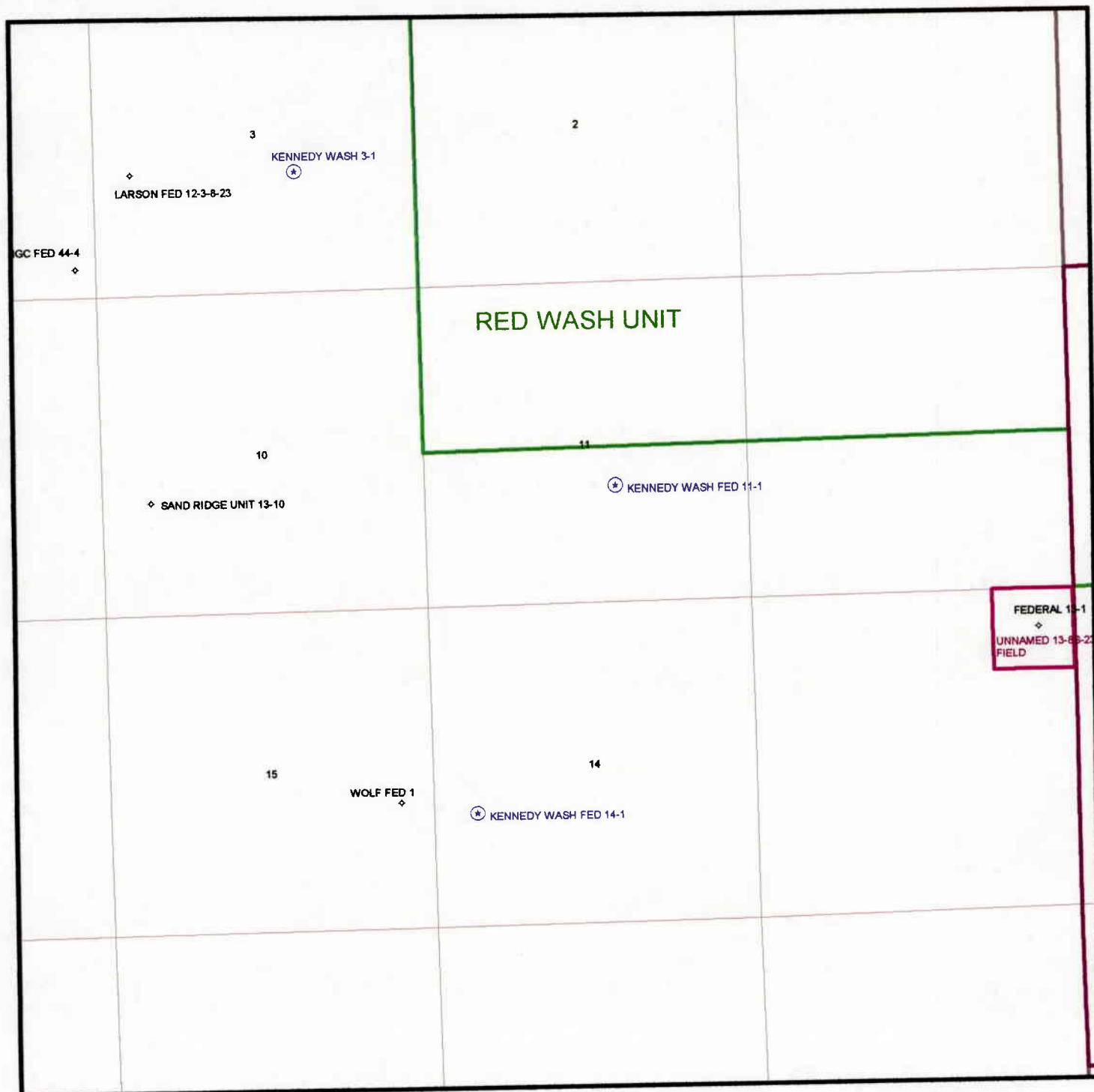
Utah Oil Gas and Mining

OPERATOR: COASTAL O&G CORP (N0230)

FIELD: UNDESIGNATED (002)

SEC. 11 & 14, T8S, R23E,

COUNTY: UINTAH SPACING: R649-3-2



PREPARED BY: LCORDOVA  
DATE: 30-AUGUST-2000



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

August 30, 2000

Coastal Oil & Gas Corporation  
PO Box 1148  
Vernal UT 84078

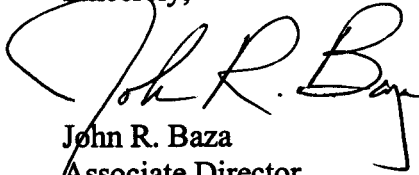
Re: Kennedy Wash Federal 11-1 Well, 1913' FSL, 2142' FEL, NW SE, Sec. 11, T. 8 South,  
R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33666.

Sincerely,



John R. Baza  
Associate Director

er

Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

**Operator:** Coastal Oil & Gas Corporation  
**Well Name & Number** Kennedy Wash Federal 11-1  
**API Number:** 43-047-33666  
**Lease:** U-78228

**Location:** NW SE      **Sec.** 11      **T.** 8 South      **R.** 23 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338
- Contact Robert Krueger at (801) 538-5274.

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0136  
Expires: November 30, 2000

NOS 7/13/00

APPLICATION FOR PERMIT TO DRILL OR REENTER

|   |  |   |  |
|---|--|---|--|
| 1a. Type of Work<br><input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER  |  | 5. Lease Serial No.<br>U-78228  |  |
| 1b. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone |  | 6. If Indian, Allottee or Tribe Name<br>N/A   |  |
| 2. Name of Operator<br>Coastal Oil & Gas Corporation  |  | 7. Unit or CA Agreement Name and No.<br>Kennedy Wash  |  |
| 3a. Address<br>P.O. Box 1148, Vernal, UT 84078  |  | 8. Lease Name and Well No.<br>Kennedy Wash Federal #11-1  |  |
| 3b. Phone No. (include area code)<br>(435)-781-7023   |  | 9. API Well No.<br>N/A  |  |
| 4. Location of Well (Report location clearly and in accordance with any State requirements)*<br>At surface NW SE<br>At proposed prod. zone 1913' FSL & 2142' FEL  |  | 10. Field and Pool, or Exploratory<br>Kennedy Wash  |  |
| 14. Distance in miles and direction from nearest town or post office*<br>27.9 Miles Southeast of Vernal, Utah   |  | 11. Sec., T., R., M., or Blk. and Survey or Area<br>Sec 11-T8S-R23E   |  |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any)<br>1913'   |  | 12. County or Parish<br>Uintah  |  |
| 16. No. of Acres in lease<br>680  |  | 13. State<br>Utah   |  |
| 17. Spacing Unit dedicated to this well<br>N/A  |  | 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.<br>18,290' |  |
| 19. Proposed Depth<br>8950<br><del>10,000</del>   |  | 20. BLM/BIA Bond No. on file<br>U-605382-9  |  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br>5362.4' Ungraded GR  |  | 22. Approximate date work will start*<br>Upon Approval  |  |
|   |  | 23. Estimated duration<br>To Be Determined  |  |

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24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan  | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

|                   |  |                 |
|-------------------|--|-----------------|
| 25. Signature<br> | Name (Printed/Typed)<br>Cheryl Cameron | Date<br>8/10/00 |
|-------------------|--|-----------------|

|                                    |  |
|------------------------------------|--|
| Title<br>Sr. Environmental Analyst |  |
| Approved by (Signature)<br>        | Name (Printed/Typed)<br>Assistant Field Manager<br>Mineral Resources |
| Title                              | Office   |
| Date<br>10/19/00                   |  |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on Reverse)

DOGM

00PS0629A



CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation  
Well Name & Number: Kennedy Wash Federal #11-1  
API Number: 43-047-33666  
Lease Number: U - 78228  
Location: NWSE Sec. 11 T. 08S R. 23E  
Agreement: Kennedy Wash Unit

**NOTIFICATION REQUIREMENTS**

- |                                 |   |  |
|---------------------------------|---|--|
| Location Construction           | - | at least forty-eight (48) hours prior to construction of location and access roads.  |
| Location Completion             | - | prior to moving on the drilling rig.   |
| Spud Notice                     | - | at least twenty-four (24) hours prior to spudding the well.  |
| Casing String and Cementing     | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings.  |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests.  |
| First Production                | - | within five (5) business days after new well begins, or Notice production resumes after well has been off production for more than ninety (90) days. |

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

### A. DRILLING PROGRAM

#### 1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

#### 2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **3M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

#### 3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the intermediate casing at least 200 ft. above the top of the Green River Formation, identified at 2,446 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the intermediate casing shoe to the top of the cement and shall be utilized to determine the bond quality for the intermediate casing. A cement bond log (CBL) will be run from the production casing shoe to the top of the cement for the production casing and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas

Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, contact one of the following individuals:

Ed Forsman                   (435) 789-7077 (HOME) or (435) 646-1685 (PAGER)  
Petroleum Engineer

Jerry Kenczka               (435) 781-1190  
Petroleum Engineer

BLM FAX Machine   (435) 781-4410

## EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids.

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.



**SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

**-Construction of the well location will not be done when soils are muddy due to the erosive soils present in the area.**

-The access road will be crowned (2 to 3%), ditched, and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

**-The reserve pit will not require a liner unless blasting is needed.**

**-The reserve pit topsoil shall be piled separately as shown on the cut sheet.**

-The location topsoil pile will be windrowed along the entire south side of the location instead of as shown on the cut sheet. This topsoil shall then be seeded immediately after the soil is piled by broadcasting the seed, then walking the topsoil pile with the dozer to plant the seed. The seed mixture identified in the APD shall be used.

-Once the reserve pit is dry, it shall be filled, recontoured, topsoil spread, and seeded in the same manner discussed above.

-All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a Carlsbad Canyon rather than the Juniper Green identified in the APD.

**-No topsoil will be used for the construction of tank dikes.**

-The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

- (1) whether the materials appear eligible for the National Register of Historic Places;
- (2) the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- (3) a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

-Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.

**U-78228**

6. If Indian, Allottee or Tribe Name

**N/A**

7. If Unit or CA/Agreement, Name and/or No.

**Kennedy Wash**

8. Well Name and No.

**Kennedy Wash #11-1  
Federal**

9. API Well No.

**43-047-33666**

10. Field and Pool, or Exploratory Area

**Kennedy Wash**

11. County or Parish, State

**Uintah UT**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**Coastal Oil & Gas Corporation**

3a. Address

**P.O. Box 1148, Vernal UT 84078**

3b. Phone No. (include area code)

**(435) 781-7023**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**NW/SE Sec.11, T8S, R23E  
1913' FSL & 2142' FEL**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Casing Repair

☐ New Construction

☐ Recomplete

☒ Other **Revised**

☐ Change Plans

☐ Plug and Abandon

☐ Temporarily Abandon

**Csg / TD Change**

☐ Convert to Injection

☐ Plug Back

☐ Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

**Coastal Oil & Gas Corporation requests authorization to revise the intermediate casing point to 4600' from 6200' and changing from 8 5/8" to 9 5/8" casing, and extend the TD from 8950' to 11,800'.**

**Please refer to the attached Drilling Program.**

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

Date: **01/02/01**

By: **[Signature]**

**COPY SENT TO OPERATOR**

Date: **01-09-01**

Initials: **CHD**

**RECEIVED**

**DEC 18 2000**

**DIVISION OF  
OIL, GAS AND MINING**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Cheryl Cameron**

Title

**Sr. Regulatory Analyst**

Date **12/1/00**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

COMPANY NAME

Coastal Oil & Gas Corporation

DATE

12/1/00

WELL NAME

Kennedy Wash Federal Unit #11-1

TD

11,800' MD/TVD

FIELD

Kennedy Wash

COUNTY

Uintah

STATE

Utah

ELEVATION

5,377' KB

SURFACE LOCATION

1913' FSL & 2142' FEL of Sec 11, T8S - R 23E

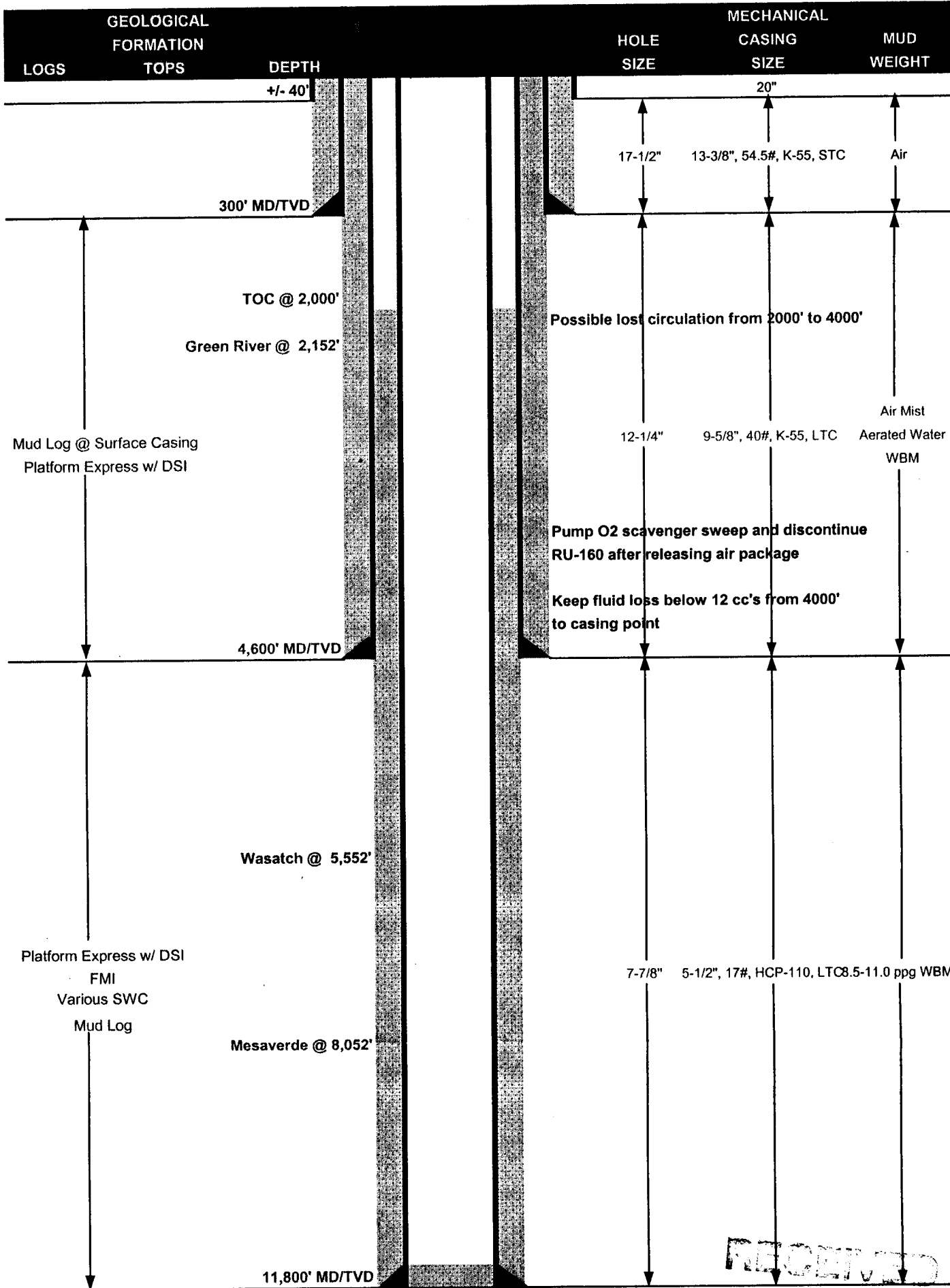
BHL

Straight Hole

OBJECTIVE ZONE(S)

Lower Green River, Wasatch, Lower Mesaverde

ADDITIONAL INFO



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DEC 18 2000

DIVISION OF OIL, GAS AND MINING

COASTAL OIL & GAS CORPORATION  
DRILLING PROGRAM

CASING PROGRAM

|              | SIZE    | INTERVAL | WT.   | GR.     | CPLG. | DESIGN FACTORS |          |         |
|--------------|---------|----------|-------|---------|-------|----------------|----------|---------|
|              |         |          |       |         |       | BURST          | COLLAPSE | TENSION |
| CONDUCTOR    | 20"     | 0-40'    |       |         |       | 2730           | 1130     | 547000  |
| SURFACE      | 13-3/8" | 0-300'   | 54.5# | K-55    | STC   | 16.22          | 8.05     | 4.70    |
|              |         |          |       |         |       | 3950           | 2570     | 561000  |
| INTERMEDIATE | 9-5/8"  | 0-4,600' | 40#   | K-55    | LTC   | 1.09           | 1.19     | 1.98    |
|              |         |          |       |         |       | 10640          | 8580     | 445000  |
| PRODUCTION   | 5-1/2"  | 0-TD     | 17#   | HCP-110 | LTC   | 1.97           | 1.27     | 1.48    |

- 1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe - Gas Gradient (0.115 psi/ft))(TVD)
- 2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.052 x 0.33)
- 3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)
- (Burst Assumptions: FG @ 13-3/8" shoe = 13.0 ppg, Max Pore Pressure = 11.0 ppg EMW)
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing, 100,000 lbs overpull)

CEMENT PROGRAM

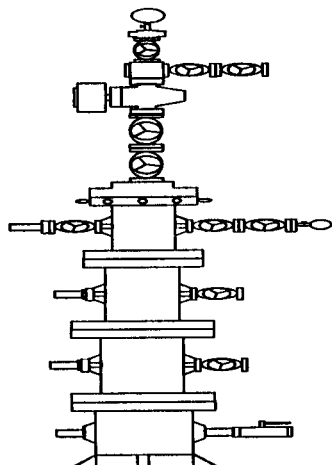
|              |      | FT. OF FILL | DESCRIPTION  | SACKS | EXCESS | WEIGHT      | YIELD |
|--------------|------|-------------|--|-------|--------|-------------|-------|
| SURFACE      |      | 300         | Class G + 2% CaCl <sub>2</sub><br>+ 0.25 lb/sk Cello Flake   | 260   | 35%    | 15.80       | 1.17  |
| INTERMEDIATE | LEAD | 4000        | 50/50 Poz + 20% SSA-1 + 5% Silica Lite<br>+ 0.1% Versaset + 0.1 LWL<br>+ 1.5% Zonesealant                              | 1100  | 30%    | foamed 10.0 | 1.47  |
|              | TAIL | 600         | 50/50 Poz + 20% SSA-1 + 5% Silica Lite<br>+ 0.1% Versaset + 0.1 LWL<br>+ 1.5% Zonesealant                              | 180   | 30%    | 14.30       | 1.47  |
| PRODUCTION   | LEAD | 5000        | Premium Plus + 16% Gel<br>+ 2% FWCA + 0.6% Econolite<br>+10 lb/sk Gilsonite + 3 % Salt + 1% HR7                        | 120   | 60%    | 11.60       | 3.12  |
|              | TAIL | 6800        | 50/50 Poz + 0.25 lb/sk Flocele + 2% Gel<br>+ 0.6% Halad 322 + 0.2% HR5 + 5% Salt<br>+ 2% Microbond HT + 0.2% Super CBL | 1670  | 75%    | 14.35       | 1.24  |

\* or 15% over caliper log

FLOAT EQUIPMENT & CENTRALIZERS

|              |   |
|--------------|---|
| SURFACE      | Guide shoe, 1 joint, float collar. Centralize 5' above shoe & every other collar to surface. Thread lock FE & bottom joint. |
| INTERMEDIATE | Float shoe, 2 joints, float collar. Centralize as per production department. Thread lock FE and bottom 3 joints.            |
| PRODUCTION   | Specified by Production Department  |

WELLHEAD EQUIPMENT



|              |                           |
|--------------|---------------------------|
| TREE         | 7-1/16" 10M X 2-1/16" 10M |
| TUBING HEAD  | 11" 5M X 7-1/16" 10M      |
| CASING SPOOL |                           |
| CASING SPOOL | 13-5/8" 3M X 11" 5M       |
| CASING HEAD  | 13-3/8" SOW X 13-5/8" 3M  |

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DEC 18 2000

DIVISION OF  
OIL, GAS AND MINING

COASTAL OIL & GAS CORPORATION  
DRILLING PROGRAM

BIT PROGRAM

| ROCK BIT & PDC BIT PROGRAM |         |                 |     |        |          |                           |
|----------------------------|---------|-----------------|-----|--------|----------|---------------------------|
| INTERVAL                   | HOLE    | BIT MFG & MODEL | GPM | SERIAL | NZLS     | COMMENTS                  |
| Surface Hole               | 17-1/2" | Various         |     |        |          | Pre-set                   |
|                            |         |                 |     |        |          |                           |
| 300'-4,600'                | 12-1/4" | STC F27         |     | NEW    | 22-22-22 | Aerated Water & WBM       |
|                            |         |                 |     |        |          |                           |
| 4,600'- TD                 | 7-7/8"  | Various Inserts | 400 | NEW    | 18-18-18 | Run all bits on Mud Motor |
|                            |         |                 |     |        |          |                           |
|                            |         |                 |     |        |          |                           |
|                            |         |                 |     |        |          |                           |

GEOLOGICAL DATA

LOGGING:

| Depth     | Log Type                      |
|-----------|-------------------------------|
| SC - 4600 | Platform Express w/ DSI       |
| 4600 - TD | Platform Express w/ DSI & FMI |
| Various   | SWC's                         |

|             |                |
|-------------|----------------|
| MUD LOGGER: | SC' - TD       |
| SAMPLES:    | As per Geology |
| CORING:     | As per Geology |
| DST:        | As per Geology |

MUD PROGRAM

| DEPTH       | TYPE                  | MUD WT    | WATER LOSS | VISCOSITY | TREATMENT               |
|-------------|-----------------------|-----------|------------|-----------|-------------------------|
| 0-300       | Air Mist              | NA        | NA         |           |                         |
| 300 - 4000  | Water / Aerated Water | NA        | NC         | NA        | Aerated water           |
| 4000 - 4600 | WBM                   | 8.4 - 9.5 | < 12 cc    | 34 - 45   | LSND / Anco-Drill / LCM |
| 4600 - TD   | WBM                   | 8.9 - 10+ | < 10 cc    | 30 - 45   | LSND / Anco-Drill       |
|             |                       |           |            |           |                         |

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,000 psi prior to drilling out. Test int. csg. to 1,500 psi prior to drilling out. BOPE to intermediate: 13-5/8" 3M with one 3M annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. BOPE to TD: 11" 5M with one 5M annular and 2 rams. Test to 5,000 psi (annular to 3,000 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves. Corrosion treatment while drilling with air - RU160 then pump O<sub>2</sub> scavenger and proceed with scale inhibitor only. Run Totco survey every 1500' from surface casing shoe to TD. Maximum allowable hole angle is 5 degrees.

PROJECT ENGINEER: \_\_\_\_\_  
Christa Yin

PROJECT MANAGER: \_\_\_\_\_  
Darrell Molnar

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

RECEIVED  
DEC 18 2000  
DIVISION OF  
OIL, GAS AND MINES



STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM - FORM 6

OPERATOR Coastal Oil & Gas Corporation

OPERATOR ACCT. NO. N 0230

ADDRESS P.O. Box 1148

Vernal UT 84078

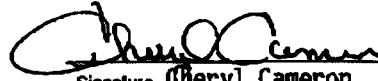
| ACTION CODE  | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER   | WELL NAME                  | WELL LOCATION |    |    |     |        | SPUD DATE | EFFECTIVE DATE |
|--|--------------------|----------------|--------------|----------------------------|---------------|----|----|-----|--------|-----------|----------------|
|  |                    |                |              |                            | QQ            | SC | TP | RG  | COUNTY |           |                |
| <b>A</b>   | 99999              | <u>12988</u>   | 43-047-33666 | Kennedy Wash Federal #11-1 | NW/SE         | 11 | 8S | 23E | Uintah | 11/9/00   | 11/9/00        |
| WELL 1 COMMENTS:<br><u>12-19-00</u> Code C: SPUD @ 6:00 a.m. 11/9/00 w/Bill Martin Rathole |                    |                |              |                            |               |    |    |     |        |           |                |
|  |                    |                |              |                            |               |    |    |     |        |           |                |
| WELL 2 COMMENTS:   |                    |                |              |                            |               |    |    |     |        |           |                |
|  |                    |                |              |                            |               |    |    |     |        |           |                |
| WELL 3 COMMENTS:   |                    |                |              |                            |               |    |    |     |        |           |                |
|  |                    |                |              |                            |               |    |    |     |        |           |                |
| WELL 4 COMMENTS:   |                    |                |              |                            |               |    |    |     |        |           |                |
|  |                    |                |              |                            |               |    |    |     |        |           |                |
| WELL 5 COMMENTS:   |                    |                |              |                            |               |    |    |     |        |           |                |

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

  
Signature Cheryl Cameron  
Sr. Regulatory Analyst 12/18/00  
Title \_\_\_\_\_ Date \_\_\_\_\_  
Phone No. (435) 781-7023

12-19-00 11:32am From-COASTAL OIL AND GAS DOWNSTREAMS SECRETARY +4357894436 T-724 P-02/02 F-658

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.

**U-78228**

6. If Indian, Allottee or Tribe Name

**N/A**

7. If Unit or CA/Agreement, Name and/or No.

**Kennedy Wash**

8. Well Name and No.

**Kennedy Wash #11-1**

**Federal**

9. API Well No.

**43-047-33666**

10. Field and Pool, or Exploratory Area

**Kennedy Wash**

11. County or Parish, State

**Uintah Utah**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**Coastal Oil & Gas Corporation**

3a. Address

**P.O. Box 1148, Vernal UT 84078**

3b. Phone No. (include area code)

**(435) 781-7023**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**NW/SE Sec.11, T8S, R23E**

**1913' FSL & 2142' FEL**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent  
☒ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- |   |   |  |   |
|---|---|--|---|
| <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off               |
| <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity               |
| <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <b>SPUD</b> |
| <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

**SPUD well at 6:00 a.m. w/Bill Martin Rathole 11/9/00**

**Drilled 325' of 17 1/2" hole. RIH w/318' of 13 3/8" 54.5# Csg.**

**Cmt w/10 Bbl H2O, 20 Bbl Gelled H2O, pump 265 SX @ 15.6 lb/gal yield 1.18 cu ft/SX. Drop Plug, Good Returns, Cmt to Surface.**

**RECEIVED**

**DEC 22 2000**

**DIVISION OF  
OIL, GAS AND MINING**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Cheryl Cameron**

Title

**Sr. Regulatory Analyst**

Date **12/18/00**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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OMB NO. 1004-0135  
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**U-78228**

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**N/A**

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☐ Oil Well ☒ Gas Well ☐ Other

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**NW/SE Sec. 11, T8S, R23E  
1913' FSL & 2142' FEL**

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**Kennedy Wash #11-1  
Federal**

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☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other **Drilling**

**Summary**

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 day following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

**Drilled 325' to 4,608'. RIH w/4598' 9 5/8" 40# LT&C Intermediate csg.**

**Pump 30 Bbl Gelled Spacer, 20 Bbl KCL Spacer. Lead Slurry 484 SX Premlite II H.S.w/2% CaCl<sub>2</sub> & .25#/SX Celloflake + adds. 11.5#/gal, yield 2.91 cu ft/SX. Tail Slurry 280 SX 50/50 POZ, 2% CaCl<sub>2</sub> + adds. 14.5#/gal, yield 1.24 cu ft/SX. Displace w/344 Bbl Mud. Open Stage tool. Pump 10 Bbls Mud.**

**Second Stage: Pump 30 Bbl Gelled Spacer, 20 Bbl KCL Spacer. Lead Slurry 307 SX Prem II H.S. 11.5#/gal, yield 2.89 cu ft/SX. Tail Slurry 60 SX Class G 2% CaCl<sub>2</sub>, 15.8#/gal, Yield 1.17 cu ft/SX. Displace with 159 Bbl Mud. Bump Plug. Good Returns. 30 Bbl cmt to pit.**

**Finished Drilling to 10,516'. RIH w/10,516' 5 1/2" 17# P-110 csg.**

**Pump 40 Bbl Mud Clean M .06 Claytreat/10 Bbl. 40 Bbl KCL Water .06 Claytreat/10 Bbl. Lead Slurry 635 SX. Prem II, 3% KCL, 25/SX Celloflake, 2% S.M. 10% Gel + Adds 11.0#/gal yield 3.48 cu ft/SK. H2O 21.23 gal/SK. Tail Slurry 370 SK Prem II HS .5% R3, 25#/SX Celloflake, 3% KCL, 5#/SX K.S. 5% FL 52, 13.0#/gal yield 1.97 cu ft/SX. H2O 9.68 gal/SX. Displace with 242 Bbl H2O. Bump plug. Clean Mud Tanks**

**Released Rig @ 8:00 p.m. 1/24/01**

I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Cheryl Cameron**

Title

**Senior Regulatory Analyst**

Date **1/25/01**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☐ OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR: 68 South 1200 East CITY Vernal STATE Utah ZIP 84078 PHONE NUMBER: 435-789-4433

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:  
Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

COUNTY:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION   | TYPE OF ACTION  |   |  |
|--|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____ | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|  | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|  | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON           |
|  | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR                 |
|  | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                 |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion:<br>_____   | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                |
|  | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                |
|  | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: Name Change |
|  | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |  |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.

See Exhibit "A"

Bond # 400JU0708

Coastal Oil & Gas Corporation

NAME (PLEASE PRINT) John T. Elzner

TITLE Vice President

SIGNATURE [Signature]

DATE 06-15-01

El Paso Production Oil & Gas Company

NAME (PLEASE PRINT) John T. Elzner

TITLE Vice President

SIGNATURE [Signature]

DATE 06-15-01

(This space for State use only)

RECEIVED

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING

State of Delaware  
Office of the Secretary of State

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PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

MAR 14 2001

DIVISION OF  
OIL, GAS AND MINING



*Harriet Smith Windsor*  
Harriet Smith Windsor, Secretary of State

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

## CERTIFICATE OF AMENDMENT

OF

## CERTIFICATE OF INCORPORATION

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST." so that, as amended, said Article shall be and read as follows:

"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL &amp; GAS CORPORATION



David L. Siddall  
Vice President

Attest:

  
(Margaret E. Roark, Assistant Secretary)

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STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 11:00 AM 03/09/2001  
010118394 - 0610204

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

**RECEIVED**

JUL 12 2001

**DIVISION OF  
OIL, GAS AND MINING**

In Reply Refer To:

3106

UTSL-065841

(UT-924)

JUL 10 2001

### NOTICE

|                                      |   |             |
|--------------------------------------|---|-------------|
| El Paso Production Oil & Gas Company | : | Oil and Gas |
| Nine Greenway Plaza                  | : |             |
| Houston TX 77046-0095                | : |             |

### Name Change Recognized

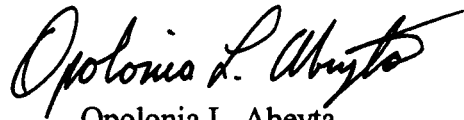
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

For our purposes, the name change is recognized effective March 9, 2001.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Coastal Oil & Gas Corporation to El Paso Production Oil & Gas Company. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Wyoming and Colorado.



Opolonia L. Abeyta  
Acting Chief, Branch of  
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
~~State of Utah, DUGM~~, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)



### Exhibit of Leases

|               |             |             |           |
|---------------|-------------|-------------|-----------|
| UTUSL-065841A | UTU-47172   | UTU-74415   | UTU-53860 |
| UTU-28652     | UTU-50687   | UTU-74416   | UTU-66401 |
| UTU-37943     | UTU-52298   | UTU-75091   | UTU-67868 |
| UTU-44089     | UTU-0109054 | UTU-75096   | UTU-65389 |
| UTU-44090A    | UTU-0143511 | UTU-75097   | UTU-77084 |
| UTU-61263     | UTU-0143512 | UTU-75673   | UTU-61430 |
| UTU-00343     | UTU-38401   | UTU-76259   | UTU-72633 |
| UTU-02651     | UTU-38411   | UTU-76260   | UTU-72650 |
| UTU-02651B    | UTU-38418   | UTU-76261   | UTU-49692 |
| UTU-0142175   | UTU-38419   | UTU-76493   | UTU-57894 |
| UTU-70235     | UTU-38420   | UTU-76495   | UTU-76829 |
| UTU-70406     | UTU-38421   | UTU-76503   | UTU-76830 |
| UTU-74954     | UTU-38423   | UTU-78228   | UTU-76831 |
| UTU-75132     | UTU-38424   | UTU-78714   |           |
| UTU-75699     | UTU-38425   | UTU-78727   |           |
| UTU-76242     | UTU-38426   | UTU-78734   |           |
| UTU-78032     | UTU-38427   | UTU-79012   |           |
| UTU-4377      | UTU-38428   | UTU-79011   |           |
| UTU-4378      | UTU-53861   | UTU-71694   |           |
| UTU-7386      | UTU-58097   | UTU-00576   |           |
| UTU-8344A     | UTU-64376   | UTU-00647   |           |
| UTU-8345      | UTU-65222   | UTU-01470D  |           |
| UTU-8347      | UTU-65223   | UTU-0136484 |           |
| UTU-8621      | UTU-66746   | UTU-8344    |           |
| UTU-14646     | UTU-67178   | UTU-8346    |           |
| UTU-15855     | UTU-67549   | UTU-8648    |           |
| UTU-25880     | UTU-72028   | UTU-28212   |           |
| UTU-28213     | UTU-72632   | UTU-30289   |           |
| UTU-29535     | UTU-73009   | UTU-31260   |           |
| UTU-29797     | UTU-73010   | UTU-33433   |           |
| UTU-31736     | UTU-73013   | UTU-34711   |           |
| UTU-34350     | UTU-73175   | UTU-46699   |           |
| UTU-34705     | UTU-73434   | UTU-78852   |           |
| UTU-37116     | UTU-73435   | UTU-78853   |           |
| UTU-37355     | UTU-73444   | UTU-78854   |           |
| UTU-37573     | UTU-73450   | UTU-075939  |           |
| UTU-38261     | UTU-73900   | UTU-0149767 |           |
| UTU-39223     | UTU-74409   | UTU-2078    |           |
| UTU-40729     | UTU-74410   | UTU-44426   |           |
| UTU-40736     | UTU-74413   | UTU-49530   |           |
| UTU-42469     | UTU-74414   | UTU-51026   |           |

## Results of query for MMS Account Number UTU78855X

| Production | API Number | Operator                      | Well Name | Well Status           | Lease or CA Number | Inspection Item | Township | Range | Section | Quarter/Quar |
|------------|------------|-------------------------------|-----------|-----------------------|--------------------|-----------------|----------|-------|---------|--------------|
| Production | 4304733589 | COASTAL OIL & GAS CORPORATION | 16-1      | PGW                   | STATE              | UTU78855X       | 8S       | 23E   | 16      | NWNW         |
| Production | 4304733615 | COASTAL OIL & GAS CORPORATION | 13-1      | PGW                   | UTU73685           | UTU78855X       | 8S       | 22E   | 13      | NENE         |
| Production | 4304733663 | COASTAL OIL & GAS CORPORATION | 3-1       | GSI                   | UTU76830           | UTU78855X       | 8S       | 23E   | 3       | NWSE         |
| Production | 4304733666 | COASTAL OIL & GAS CORPORATION | 11-1      | <del>PGW</del><br>SGW | UTU78228           | UTU78855X       | 8S       | 23E   | 11      | NWSE         |
| Production | 4304733667 | COASTAL OIL & GAS CORPORATION | 14-1      | GSI                   | UTU71424           | UTU78855X       | 8S       | 23E   | 14      | NWSW         |

**DISCLAIMER** for online data: No warranty is made by the BLM for use of the data for purposes not intended by the BLM.

*Kennedy Wash Unit*

|          |  |        |
|----------|--|--------|
| 1. GLH   |  | 4-KAS  |
| 2. CDW ✓ |  | 5-LP ✓ |
| 3. JLT   |  | 6-FILE |

### Designation of Agent

## X Merger

|                                    |
|------------------------------------|
| <b>FROM:</b> (Old Operator):       |
| COASTAL OIL & GAS CORPORATION      |
| Address: 9 GREENWAY PLAZA STE 2721 |
|                                    |
| HOUSTON, TX 77046-0995             |
| Phone: 1-(713)-418-4635            |
| Account N0230                      |
|                                    |

|  |
|--|
| <b>TO: ( New Operator):</b>                        |
| <b>EL PASO PRODUCTION OIL &amp; GAS COMPANY</b>    |
| <b>Address: 9 GREENWAY PLAZA STE 2721 RM 2975B</b> |
| <b>HOUSTON, TX 77046-0995</b>                      |
| <b>Phone: 1-(832)-676-4721</b>                     |
| <b>Account N1845</b>                               |

Unit: KENNEDY WASH

**WELL(S)**

[illegible]

|    |   |                                       |
|----|---|---------------------------------------|
| 1. | (R649-8-10) Sundry or legal documentation was received from the <b>FORMER</b> operator on:                        | <u>06/19/2001</u>                     |
| 2. | (R649-8-10) Sundry or legal documentation was received from the <b>NEW</b> operator on:                           | <u>06/19/2001</u>                     |
| 3. | The new company has been checked through the <b>Department of Commerce, Division of Corporations Database</b> on: | <u>06/21/2001</u>                     |
| 4. | Is the new operator registered in the State of Utah:  | YES      Business Number: 608186-0143 |

5. If NO, the operator was contacted contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 07/10/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 07/10/2001
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

---

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 07/17/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 07/17/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

---

**STATE BOND VERIFICATION:**

1. State well(s) covered by Bond No.: 400JU0705

---

**FEDERAL BOND VERIFICATION:**

1. Federal well(s) covered by Bond No.: WY 2793

---

**FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond No: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: \_\_\_\_\_

---

**FILMING:**

1. All attachments to this form have been **MICROFILMED** on: \_\_\_\_\_

---

**FILING:**

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: \_\_\_\_\_

---

**COMMENTS: Master list of all wells involved in operator change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company shall be retained in the "Operator Change File".**

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
**Coastal Oil & Gas Corporation**

3a. Address **P.O. Box 1148 Vernal, UT 84078**  
3b. Phone No. (include area code) **(435) 781-7023**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**NW/SE 1913' FSL & 2142' FEL  
Section 11 - T8S - R23E**

5. Lease Serial No.  
**U-78228**  
6. If Indian, Allottee or Tribe Name  
**N/A**  
7. If Unit or CA/Agreement, Name and/or No.  
**Kennedy Wash**  
8. Well Name and No.  
**Kennedy Wash Federal 11-1**  
9. API Well No.  
**43-047-33666**  
10. Field and Pool, or Exploratory Area  
**Kennedy Wash**  
11. County or Parish, State  
**Uintah, UT**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |   |   |
|---|---|---|---|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input checked="" type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation                          | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                           | <input type="checkbox"/> Other          |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon                  |   |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal                       |   |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

**The subject well was placed on production on 03/8/01**

**Please refer to the attached chronological well history**

**RECEIVED**

**MAR 26 2001**

**DIVISION OF  
OIL, GAS AND MINING**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Cheryl Cameron**

Title

**Senior Regulatory Analyst**

Signature

Date

**March 12, 2001**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**THE ASTAL CORPORATION**  
**PRODUCTION REPORT**  
**CHRONOLOGICAL HISTORY**

Page 1

**KENNEDY WASH 11-1**  
**HORSESHOE BEND FIELD**  
**UINTAH COUNTY, UT**  
**PBTD:10435 PERFS: 0**  
**AFE: SEGO COMPLETION**

**1/31/01      PREP TO CO WELLBORE**  
MIRU. PU & RIH W/BIT & 2-7/8" TBG.

**02/01/01      PREP TO RIH W/CBL**  
RIH & TAG PBTD @ 10,220'. PICKLE TBG. SPOT 250 GALS 15% HCL ACROSS PERF INTERVAL.

**02/02/01      PREP TO FRAC.**  
RIH W/CBL FROM 10,165' TO TOC @ 6740'. RIH W/ 4" GUNS. STACK OUT @ 9625'. RIH W/1 11/16" SINICER BAR, DID NOT HIT ANYTHING. RIH W/2.5" OD PERF GUNS. GUNS SHORTED OUT.

**02/03/01      PREP TO FRAC.**  
RIH & PERF SEGO FROM 9675'- 9685', 4 SPF, 40 HOLES. BRK DWN W /28000# @ 2 BPM- ISIP: 23000#, 5 MIN: 2150#, 10 MIN: 2000#, 15 MIN: 1850#.SI WO FRAC.

**02/06/01      FLWG BACK.**  
FRAC PERFS 9675'-9685', W/187,500# 20/40 PR-6000 & 2309 BBLS YF25LG. MTP: 4211#, ATP: 2309#, MTR: 42.77 BPM, ATR: 31.6 BPM, ISIP: 2730 #, FG: 0.73, NET PRESS INCR: 433#. RIH & SET CFP @ 9590'. PERF THE UPPER SEGO FROM 9569'- 9576', 6 SPF, 42 HOLES. FRAC W/26,800#, 20/40 PR- 6000 & 164 BBLS WF140 LG. BRK DN W/3598# W/ AN ISIP: 2715#. TREAT W/ MTP: 3928#, ATP: 26, MTR: 30.8 BPM, ATR: 27.6 BPM, FG: 0.75, NET PRESS INCR: 245#, 70% CO2. OPEN WELL ON 24/64" CHK. FB WELL 15 HRS ON 24/64" CHK. FLP: 2000 TO 400#, 320 BWPH TO 36 BWPH, TLTR: 2473 BBLS, TLR: 1498 BBLS, LLTR: 975 BBLS.

**02/07/01      PREP TO DO CFP.**  
FLW BCK 24 HRS ON 32/64" CHK. CP: 400# TO 275#, 36 BWPH TO 10 BWPH, AVG MCFPD: 553, TLR: 2113 BBLS, LLTR: 360 BBLS

**02/08/01      FLW TST, PREP TO RUN PROD LOG.**  
RIH W/ 4 3/4" BIT. TAG CFP @ 9590'. DO CFP. RIH TO 10,165'. PU & LAND TBG @ 9377'. PMP OFF BIT SUB. MADE 7 SWAB TRIPS & REC 82 BW. WELL ST TO FLW. FLW BCK 12 HRS ON 32/64" CHK. AVG FTP: 217#, AVG CP: 803#, AVG GAS RATE: 144 MCFPD. TLR LAST 24 HRS: 148 BBLS, LLTR: 212 BBLS.

**02/09/01      LOWER TBG.**  
MIRU PLS. RIH W/1.75" X 1.72" OD GAUGE RING & STACKED OUT @ 9377'. RIH W/ 1.58" OD GAUGE RING BEATING DN THROUGH 9377' & CONT DN TO 9860'. RIH W/ 1.68" OD TRACER TOOLS TO 9800'. LOG FROM 9814'-9334'. RESULTS LOOKED GOOD. MIRU WELL INFORMATION SERVICES. RIH W/ PRODUCTION LOGGING TOOLS. LOG SHOULD FROM 9675'- 9685' 22% GAS & 10% WTR & 9569'-9576' 78% GAS & 90% WTR. FLW WELL OVER NIGHT AVE FTP: 120#, CP: 752# 31/64" CHK, 5 BWPH, & 176 MCF W/ 2381 BBLS REC & 2 BBLS LLTR.

**2/10/01      FLW TEST WELL.**  
SICP: 600#, FTP: 60#. KILL WELL W/ 10 BBLS 3% DN TBG. LAND TBG @ 9635'. ND BOP. NUWH. RU SWAB EQUIP. IFL: 2500'. MADE 7 RUNS. REC 55 BBLS WTR. FFL: SURFACE. WELL STARTED FLWG. SITP: 800#, FTP: 150#. RIG DN WORK OVER UNIT. LEAVE WELL FLWG W/ BRECO FLOW TESTERS. SDFN.

**2/11/01      PROD: WELL FLWG. 190 MCFPD & 3 BWPH. FTP: 180#. CP: 700#.**

**2/12/01      PROD: WELL FLWG. 133 MCFDP & 2 BWPH. FTP: 90#. CP: 900#.**

**02/13/01      SIBUP.**

**02/14/01      FLW TST.**  
PROG: SITP: 1200#, SICP: 1550#. OPEN TO FBT ON 16/64" CHK. FB 19 HRS. CHK 16/64" TO 20/64". FTP: 1200# TO 150#, CP: 1550# TO 680#, 2 BWPH TO 5 BWPH. TLR: 2676 BBLS (203 BBLS OVERLOAD)

02/15/01- **FLW TST.**  
PROG: AVG CHK: 24/64", AVG FTP: 131#, AVG CP: 710#, AVG GAS RATE: 140 MCFPD, AVG. WTR: 2 BBLS/HR,  
24 HR WTR RECOVERY: 47BBLS. REC 250 BBLS OVER LOAD

02/16/01 **FLW TST.**  
PROG: FLOW TESTING 24 HRS. AVG CHK: 16/64", AVG FTP: 135#, AVG CP: 650#, AVG GAS RATE: 102 MCFPD,  
AVG WTR ENTRY: 1.5BPH, TLR: 2761 BBLS (288 BBLS OVER LOAD). LOAD REC LAST 24 HRS: 38 BBLS.

02/20/01 **PROG: SI WO RIG**

02/21/01 **SI WO RIG**  
PROG: TOO MUDDY TO MOVE IN.

2/22/01 **SWABBING**  
PROG: RU BOPE. POOH W/TBG. RIH W/PKR. SET PKR @ 9635'. MADE 4 SWAB TRIPS. IFL: 3300'. FFL: 5000',  
RECOVER 20 BBLS GAS CUT FLUID.

2/23/01 **WAITING ON CEMENT**  
PROG: SICP: 200#, SITP: 200#, BLEW WELL DN. POOH W/TBG. PU 5 1/2" CICR & RIH. SET CICR @ 6745'. PRESS  
TST TBG & CICR TO 1000#. EST INJ RATE @ 4BPM @ 1900#. SQZD PERFS (6864'-6903') W/100 SXS CLASS 'G'  
W/0.3% HALAD 344, 0.2% CFR-3, WGT: 15.8 PPG, YIELD: 1.15. DISPLACED W/17 BBLS WTR ISIP: 0#, WAITED 5  
MIN. PMPD 1 BBL WTR ISIP: 0#. WAIT 15 MIN. PMPD 1 BBL WTR ISIP: 0#. WAIT 15 MIN. PMPD 2 BBLS WTR  
ISIP: 500#. WAIT 15 MIN. PUMPD 1 BBL WTR ISIP: 1930#. WAIT 15 MIN. PMPD 1/2 BBL WTR. ISIP: 2020#, STUNG  
OUT OF CICR. PUH 5 STANDS & REVERSED TBG CLEAN W/ 40 BBLS 2% KCL. POOH W/TBG.

2/26/01 **PREP TO FRAC**  
2/24 PROG: RIH & SET CBP @ 9155'. PERF MESA VERDE 9110'-9122', 4 SPF, 48 HOLES & 9063'-9075', 4 SPF, 48  
HOLES. 0/PRESS. BRK DN PERFS W/3600# @ 10BPM. PUMP 395 BBLS 2% KCL & 150 1.3 SG BIODEGRADABLE  
BALL SEALERS. NO BALL OFF. ISIP: 2930#, FG: 0.75.

2/27/01 **PREP TO REPERFORATE**  
PROG: FRAC W/70 QUALITY CO2/WF140LG FOAM. PUMP 28,114# 20/40 PR6000, 244 BBLS FLUID, AND 83 TONS  
CO2 WHEN SCREENED OUT W/9,714# PR6000 IN FORMATION & 18,400# IN CSG. OPEN WELL ON 18/64" CHK  
TO FBT W/6700#. FLOW 10 MIN. PRESS DROP TO 1500#. OPEN TO PIT TO UNLOAD SD. FLOW BACK 20 HRS.  
CHK: 24/64" TO 32/64", FCP: 1000# TO 60#. TLTR: 639 BBLS, TLR: 353 BBLS, LLTR: 286 BBLS.

2/28/01 **PREP TO SPOT ACID & REPERFORATE**  
PROG: PU 4 3/4" BIT. RIH & TAG SD @ 9110'. CO SD TO 9150'. PUH TO 9012'.

3/01/01 **PREP TO FRAC**  
PROG: SPOT 300 GALS 15% HCL ACROSS PERF INTERVAL 9066'-9121'. PERF MESA VERDE 9111'-9121', 3 SPF,  
30 HOLES & 9066'-9076', 3 SPF, 30 HOLES. BRK DN W/5230# @ 2.26 BPM. ISIP: 3400#, 5 MIN: 2840#, 10 MIN:  
2600#, 15 MIN: 2370#, FG: 0.8.

3/02/01 **PREP TO DO PLUGS**  
PROG: FRAC MESA VERDE PERFS 9066'-9121' W/31,028# PR6000 & 760 BBLS YF135LG LIQUID GEL. SCREEN  
OFF W/15,754# SD IN FORMATION & 15,274# SD IN CSG. MTP: 7242#, ATP: 6500#, MTR: 40.9 BPM, ATR: 38 BPM,  
ISIP: 7000#. OPEN CHK TO FBT ON 24/64" CHK W/3300#. FLOW BACK WELL 20 HRS. CHK: 24/64" TO 64/64",  
FCP: 3300# TO 30#, 118 BWPH TO 7 BWPH. TLTR: 760 BBLS, TLR: 493 BBLS, LLTR: 267 BBLS.

3/5/01 **PREP TO RIH W/PKR.**  
3/3/01 PROG: RIH W/4 3/4" BIT. TAG SD @ 9110'. DO CBP @ 9155'. CO WELLBORE TO 9800'.  
**PREP TO SET PKR & TEST ZONE #1**  
3/4/01 PROG: SICP: 850#. BLOW DN IN 30 MIN. RIH W/5 1/2" HD PKR. EOT @ 9110'. SDFWI.

3/6/01 **PREP TO DO CHEM SQZ**  
PROG: SI WO CHEMICAL.

3/7/01 **PREP TO SWAB**  
PROG: SET PKR @ 9622'. PMP 60 GALS STIM CLEAN MIXED W/48 BBLS 15% HCL. MTP: 2715# BRK DN TO ATP:  
109#, MTR: 2 BPM. ISIP: 0, WELL ON VACUUM. RLS PKR & POOH. RIH W/PROD EQUIP. LAND TBG @ 9634', SN  
@ 9600'.

3/8/01

**FLOW TESTING**

PROG: SICP: 1200#, SITP: 800#. BLOW DN IN 1 HR. RU SWAB. MADE 1 SWAB TRIP & WELL STARTED TO FLOW. IFL: 3500', RECOVER 74 BLW. OPEN TO TST SEPERATOR ON 32/64" CHK. FLOWBACK 16 HRS ON 24/64" CHK. FTP: 425#-225#, CP: 800#-625#, GAS RATE: 476 MCFPD-222 MCFPD (AVG 270 MCFPD), AVG WTR: 5 B/HR, TLR FOR DAY 520 BBLS (543 BBLS OVER LOAD).

3/9/01

**FLOW BACK 24 HRS ON 24/64" CHK. AVG FTP: 201#, AVG FCP: 600#, AVG GAS: 216 MCFPD, AVG WTR: 3.7 BWPH, LLTR: 1084 BBLS (NOTE: ADJUSTMENT MADE FROM YESTERDAYS REPORT TO INCLUDE MESA VERDE ZONES).**

**FINAL REPORT.** IP DATE: 3/8/01. FLWG 216 MCF, FTP: 201#, CP: 600#, 88 BW, LP: 100#, 24 HRS.



Form 3160-4  
(August 1999)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED  
OMB No. 1004-0137  
Expires November 30, 2000

|   |  |                  |                     |               |                      |  |                       |                           |                        |
|---|--|------------------|---------------------|---------------|----------------------|--|-----------------------|---------------------------|------------------------|
| 1a. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other  |  |                  |                     |               |                      | 5. Lease Serial No.<br><b>U-78228</b>  |                       |                           |                        |
| b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Workover <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr.<br>Other _____ |  |                  |                     |               |                      | 6. If Indian, Allottee or Tribe Name   |                       |                           |                        |
| 2. Name of Operator<br><b>COASTAL OIL &amp; GAS CORPORATION</b>   |  |                  |                     |               |                      | CONTACT: <b>CHERYL CAMERON</b><br>EMAIL: <b>Cheryl.Cameron@CoastalCorp.com</b>   |                       |                           |                        |
| 3. Address <b>P.O. BOX 1148</b><br><b>VERNAL, UT 84078</b>  |  |                  |                     |               |                      | 3a. Phone No. (include area code)<br><b>TEL: 435.781.7023 EXT:</b>   |                       |                           |                        |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)*<br><b>At Surface NWSE 1913FSL 2142FEL</b>  |  |                  |                     |               |                      | 8. Lease Name and Well No.<br><b>KENNEDY WASH FEDERAL #11-1</b>  |                       |                           |                        |
| At top prod. interval reported below  |  |                  |                     |               |                      | 9. API Well No.<br><b>4304733668</b>   |                       |                           |                        |
| At total depth  |  |                  |                     |               |                      | 10. Field and Pool, or Exploratory<br><b>KENNEDY WASH</b>  |                       |                           |                        |
| 14. Date Spudded<br><b>11/9/00</b>  |  |                  |                     |               |                      | 15. Date T.D. Reached<br><b>1/24/01</b>  |                       |                           |                        |
| 16. Date Completed <b>3/8/01</b><br><input type="checkbox"/> D & A <input type="checkbox"/> Ready to Prod.  |  |                  |                     |               |                      | 11. Sec., T., R., M., on Block and Survey or Area <b>Sec 11 T8S R23E UBM</b>   |                       |                           |                        |
| 18. Total Depth: MD <b>10516</b><br>TVD   |  |                  |                     |               |                      | 19. Plug Back T.D.: MD <b>10265</b><br>TVD   |                       |                           |                        |
| 20. Depth Bridge Plug Set: MD<br>TVD  |  |                  |                     |               |                      | 17. Elevations (DF, RKB, RT, GL)*<br><b>5362 GL</b>  |                       |                           |                        |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each)<br><b>CBL/CCL/GR - 2-6-01 PACE/160/6.9-1-17-01</b>  |  |                  |                     |               |                      | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)<br>Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report)<br>Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) |                       |                           |                        |
| 23. Casing and Liner Record (Report all strings set in well)  |  |                  |                     |               |                      |  |                       |                           |                        |
| Hole Size   | Size/Grade   | Wt. (#/ft.)      | Top (MD)            | Bottom (MD)   | Stage Cementer Depth | No. of Sks. & Type of Cement   | Slurry Vol. (BBL)     | Cement Top*               | Amount Pulled          |
| 17.5  | 13.37 K-55   | 54.5             |                     | 318           |                      | 265  |                       |                           |                        |
| 12.25   | 9.625 K-55   | 40               |                     | 4598          |                      | 1131   |                       |                           |                        |
| 7.875   | 5.5 P-110  | 17               |                     | 10514         |                      | 1005   |                       |                           |                        |
| 24. Tubing Record   |  |                  |                     |               |                      |  |                       |                           |                        |
| Size  | Depth Set(MD)  | Packer Depth(MD) | Size                | Depth Set(MD) | Packer Depth(MD)     | Size   | Depth Set(MD)         | Packer Depth(MD)          |                        |
| 2.375   | 9635   |                  |                     |               |                      |  |                       |                           |                        |
| 25. Producing Intervals   |  |                  |                     |               |                      |  |                       |                           |                        |
| Formation   | Top  | Bottom           | Perforated Interval | Size          | No. Holes            | Perf. Status   |                       |                           |                        |
| A) <b>SEGO/MESAVEDE</b>   | <b>9063</b>  | <b>9685</b>      | <b>9063 To 9685</b> | <b>4</b>      | <b>238</b>           |  |                       |                           |                        |
| B)  |  |                  |                     |               |                      |  |                       |                           |                        |
| C)  |  |                  |                     |               |                      |  |                       |                           |                        |
| D)  |  |                  |                     |               |                      |  |                       |                           |                        |
| 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.   |  |                  |                     |               |                      |  |                       |                           |                        |
| Depth Interval  | Amount and Type of Material                                  |                  |                     |               |                      |  |                       |                           |                        |
| <b>6864 To 6903</b>   | <b>SQZ W/100 SX CLASS G W/0.3% HALAD 33, 0.2% CFR</b>        |                  |                     |               |                      |  |                       |                           |                        |
| <b>9063 To 9122</b>   | <b>FRAC W/70 QUALITY CO2 WF140LG FOAM PMP 28114</b>          |                  |                     |               |                      |  |                       |                           |                        |
| <b>9066 To 9121</b>   | <b>FRAC W/31028 PR6000 &amp; 760 BBLs YF135LG LIQUID GEL</b> |                  |                     |               |                      |  |                       |                           |                        |
| <b>9569 To 9576</b>   | <b>FRAC W/26800 20/40 PR6000 &amp; 164 BBLs WF140LG</b>      |                  |                     |               |                      |  |                       |                           |                        |
| <b>9675 To 9685</b>   | <b>FRAC W/187500 20/40 PR6000 &amp; 2309 BBLs YF25LG</b>     |                  |                     |               |                      |  |                       |                           |                        |
| 28. Production - Interval A   |  |                  |                     |               |                      |  |                       |                           |                        |
| Date First Produced   | Test Date  | Hours Tested     | Test Production     | Oil BBL       | Gas MCF              | Water BBL  | Oil Gravity Corr. API | Gas Gravity               | Production Method      |
| <b>3/8/01</b>   | <b>3/8/01</b>  | <b>24</b>        | <b>→</b>            | <b>0</b>      | <b>216</b>           | <b>88</b>  |                       |                           | <b>FLows FROM WELL</b> |
| Choke Size  | Tbg. Press. Flwg. SI   | Csg. Press. SI   | 24 Hr. Rate         | Oil BBL       | Gas MCF              | Water BBL  | Gas:Oil Ratio         | Well Status               |                        |
|   | <b>201</b>   | <b>600</b>       | <b>→</b>            | <b>0</b>      | <b>216</b>           | <b>88</b>  |                       | <b>PRODUCING GAS WELL</b> |                        |
| 28a. Production - Interval B  |  |                  |                     |               |                      |  |                       |                           |                        |
| Date First Produced   | Test Date  | Hours Tested     | Test Production     | Oil BBL       | Gas MCF              | Water BBL  | Oil Gravity Corr. API | Gas Gravity               | Production Method      |
|   |  |                  | <b>→</b>            |               |                      |  |                       |                           |                        |
| Choke Size  | Tbg. Press. Flwg. SI   | Csg. Press. SI   | 24 Hr. Rate         | Oil BBL       | Gas MCF              | Water BBL  | Gas:Oil Ratio         | Well Status               |                        |
|   |  |                  | <b>→</b>            |               |                      |  |                       |                           |                        |

(See instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #3309 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL & GAS CORPORATION  
THE VERNAL FIELD OFFICE

APR 10 2001

DIVISION OF  
OIL, GAS AND MINING  
3/30/01

## 28b. Production - Interval C

| Date First Produced | Test Date                  | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity<br>Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Choke Size          | Tbg. Press.<br>Flwg.<br>SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio            | Well Status |                   |

## 28c. Production - Interval D

| Date First Produced | Test Date                  | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity<br>Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Choke Size          | Tbg. Press.<br>Flwg.<br>SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio            | Well Status |                   |

29. Disposition of Gas (Sold, used for fuel, vented, etc. )

**SOLD**

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation              | Top          | Bottom       | Description, Contents, etc. | Name | Top<br>Meas. Depth |
|------------------------|--------------|--------------|-----------------------------|------|--------------------|
| GREEN RIVER<br>WASATCH | 2120<br>5473 | 5473<br>7758 |                             |      |                    |

32. Additional remarks (include plugging procedure):


PERF SEGO 9675'-9685' 4 SPF 40 HOLES, FRAC W/187500# 20/40 PR-6000 & 2309 BBLs YF25LG.  
 PERF UPPER SEGO 9589'-9576' 6 SPF 42 HOLES, FRAX W/26800# PR-6000 & 164 BBLs WF140LG  
 SQUEEZED PERFS 6864'-6903' W/100SX CLASS G W/0.3% HALAD 344, 0.2% CFR-3, WT 15.8 PPG YLD 1.15 DISPLACED W/17 BBLs WTR.  
 PERF MESAVERDE 9110'-9122' 4 SPF 48 HOLES & 9036'-9075' 4 SPF 48 HOLES FRAC W/70 QUALITY CO2/WF140LG FOAM. PMP 28114# 20/40 PR6000, 244 BBLs FLUID & 83 TONS CO2 WHEN SCREENED OUT W/9714# PR6000 IN FORMATION.  
 PERF MESAVERDE 9111'-9121' 3SPF 30 HOLES & 9066'-9076' 3 SPF 30 HOLES, FRAC W/31028# PR6000 & 760 BBLs YF135LG LIQUID GEL. SCREEN OFF W/15754# SD IN FORMATION & 15274# SD IN CSG.

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)
2. Geologic Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
6. Core Analysis
7. Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Name (please print) Cheryl Cameron Title Sr. Regulatory Analyst

Signature  Date 3/30/01

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and wilfully to make to any department or agency of the United States and false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**ELECTRONIC SUBMISSION #3309 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL & GAS CORPORATION SENT TO THE VERNAL FIELD OFFICE**

**THE COASTAL CORPORATION  
PRODUCTION REPORT**

CHRONOLOGICAL HISTORY

KENNEDY WASH 11-1

Page 1

HORSESHOE BEND FIELD  
UINTAH COUNTY, UT

WI:

PBTD:10435      PERFS: 0

CSG:

SPUD DATE:

AFE DESCR, AFE: AFE,SEGO COMPLETION  
FORMATION:  
CWC(M\$):

**1/31/01      PREP TO CO WELLBORE**  
MIRU. PU & RIH W/BIT & 2-7/8" TBG.

**02/01/01      PREP TO RIH W/CBL**  
RIH & TAG PBTD @ 10,220'. PICKLE TBG. SPOT 250 GALS 15% HCL ACROSS PERF INTERVAL.

**02/02/01      PREP TO FRAC.**  
RIH W/CBL FROM 10,165' TO TOC @ 6740'. RIH W/ 4" GUNS. STACK OUT @ 9625'. RIH W/1 11/16" SINICER BAR, DID NOT HIT ANYTHING. RIH W/2.5" OD PERF GUNS. GUNS SHORTED OUT.

**02/03/01      PREP TO FRAC.**  
RIH & PERF SEGO FROM 9675'- 9685', 4 SPF, 40 HOLES. BRK DWN W /28000# @ 2 BPM- ISIP: 23000#, 5 MIN: 2150#, 10 MIN: 2000#, 15 MIN: 1850#.SI WO FRAC.

**02/06/01      FLWG BACK.**  
FRAC PERFS 9675'-9685', W/187,500# 20/40 PR-6000 & 2309 BBLS YF25LG. MTP: 4211#, ATP: 2309#, MTR: 42.77 BPM, ATR: 31.6 BPM, ISIP: 2730 #, FG: 0.73, NET PRESS INCR: 433#. RIH & SET CFP @ 9590'. PERF THE UPPER SEGO FROM 9569'- 9576', 6 SPF, 42 HOLES. FRAC W/26,800#, 20/40 PR- 6000 & 164 BBLS WF140 LG. BRK DN W/3598# W/ AN ISIP: 2715#. TREAT W/ MTP: 3928#, ATP: 26, MTR: 30.8 BPM, ATR: 27.6 BPM, FG: 0.75, NET PRESS INCR: 245#, 70% CO2. OPEN WELL ON 24/64" CHK. FB WELL 15 HRS ON 24/64" CHK. FLP: 2000 TO 400#, 320 BWPH TO 36 BWPH, TLTR: 2473 BBLS, TLR: 1498 BBLS, LLTR: 975 BBLS.

**02/07/01      PREP TO DO CFP.**  
FLW BCK 24 HRS ON 32/64" CHK. CP: 400# TO 275#, 36 BWPH TO 10 BWPH, AVG MCFPD: 553, TLR: 2113 BBLS, LLTR: 360 BBLS

**02/08/01      FLW TST, PREP TO RUN PROD LOG.**  
RIH W/ 4 3/4" BIT. TAG CFP @ 9590'. DO CFP. RIH TO 10,165'. PU & LAND TBG @ 9377'. PMP OFF BIT SUB. MADE 7 SWAB TRIPS & REC 82 BW. WELL ST TO FLW. FLW BCK 12 HRS ON 32/64" CHK. AVG FTP: 217#, AVG CP: 803#, AVG GAS RATE: 144 MCFPD. TLR LAST 24 HRS: 148 BBLS, LLTR: 212 BBLS.

**02/09/01 LOWER TBG.**  
MIRU PLS. RIH W/1.75" X 1.72" OD GAUGE RING & STACKED OUT @ 9377'. RIH W/ 1.58" OD GAUGE RING BEATING DN THROUGH 9377' & CONT DN TO 9860'. RIH W/ 1.68" OD TRACER TOOLS TO 9800'. LOG FROM 9814'-9334'. RESULTS LOOKED GOOD. MIRU WELL INFORMATION SERVICES. RIH W/ PRODUCTION LOGGING TOOLS. LOG SHOULD FROM 9675'- 9685' 22% GAS & 10% WTR & 9569'-9576' 78% GAS & 90% WTR. FLW WELL OVER NIGHT AVE FTP: 120#, CP: 752# 31/64" CHK, 5 BWPH, & 176 MCF W/ 2381 BBLS REC & 2 BBLS LLTR.

**2/10/01 FLW TEST WELL.**  
SICP: 600#, FTP: 60#. KILL WELL W/ 10 BBLS 3% DN TBG. LAND TBG @ 9635'. ND BOP. NUWH. RU SWAB EQUIP. IFL: 2500'. MADE 7 RUNS. REC 55 BBLS WTR. FFL: SURFACE. WELL STARTED FLWG. SITP: 800#, FTP: 150#. RIG DN WORK OVER UNIT. LEAVE WELL FLWG W/ BRECO FLOW TESTERS. SDFN.

**2/11/01 PROD: WELL FLWG. 190 MCFPD & 3 BWPH. FTP: 180#. CP: 700#.**

**2/12/01 PROD: WELL FLWG. 133 MCFDP & 2 BWPH. FTP: 90#. CP: 900#.**

**02/13/01 SIBUP.**

**02/14/01 FLW TST.**  
PROG: SITP: 1200#, SICP: 1550#. OPEN TO FBT ON 16/64" CHK. FB 19 HRS. CHK 16/64" TO 20/64". FTP: 1200# TO 150#, CP: 1550# TO 680#, 2 BWPH TO 5 BWPH. TLR: 2676 BBLS (203 BBLS OVERLOAD)

**02/15/01 FLW TST.**  
PROG: AVG CHK: 24/64", AVG FTP: 131#, AVG CP: 710#, AVG GAS RATE: 140 MCFPD, AVG. WTR: 2 BBLS/HR, 24 HR WTR RECOVERY: 47BBLS. REC 250 BBLS OVER LOAD

**02/16/01 FLW TST.**  
PROG: FLOW TESTING 24 HRS. AVG CHK: 16/64", AVG FTP: 135#, AVG CP: 650#, AVG GAS RATE: 102 MCFPD, AVG WTR ENTRY: 1.5BPH, TLR: 2761 BBLS (288 BBLS OVER LOAD). LOAD REC LAST 24 HRS: 38 BBLS.

**02/21/01 SI WO RIG**  
PROG: TOO MUDDY TO MOVE IN.

**2/22/01 SWABBING**  
PROG: RU BOPE. POOH W/TBG. RIH W/PKR. SET PKR @ 9635'. MADE 4 SWAB TRIPS. IFL: 3300'. FFL: 5000', RECOVER 20 BBLS GAS CUT FLUID.

**2/23/01 WAITING ON CEMENT**  
PROG: SICP: 200#, SITP: 200#, BLEW WELL DN. POOH W/TBG. PU 5 1/2" CIGR & RIH. SET CIGR @ 6745'. PRESS TST TBG & CIGR TO 1000#. EST INJ RATE @ 4BPM @ 1900#. SQZD PERFS (6864'-6903') W/100 SXS CLASS 'G' W/0.3% HALAD 344, 0.2% CFR-3, WGT: 15.8 PPG, YIELD: 1.15. DISPLACED W/17 BBLS WTR ISIP: 0#, WAITED 5 MIN. PMPD 1 BBL WTR ISIP: 0#. WAIT 15 MIN. PMPD 1 BBL WTR ISIP: 0#. WAIT 15 MIN. PMPD 2 BBLS WTR ISIP: 500#. WAIT 15 MIN. PUMPD 1 BBL WTR ISIP: 1930#. WAIT 15 MIN. PMPD 1/2 BBL WTR. ISIP: 2020#, STUNG OUT OF CIGR. PUH 5 STANDS & REVERSED TBG CLEAN W/ 40 BBLS 2% KCL. POOH W/TBG.

**2/26/01 PREP TO FRAC**  
 2/24 PROG: RIH & SET CBP @ 9155'. PERF MESA VERDE 9110'-9122', 4 SPF, 48 HOLES & 9063'-9075', 4 SPF, 48 HOLES. 0/PRESS. BRK DN PERFS W/3600# @ 10BPM. PUMP 395 BBLS 2% KCL & 150 1.3 SG BIODEGRADABLE BALL SEALERS. NO BALL OFF. ISIP: 2930#, FG: 0.75.

**2/27/01 PREP TO REPERFORATE**  
 PROG: FRAC W/70 QUALITY CO2/WF140LG FOAM. PUMP 28,114# 20/40 PR6000, 244 BBLS FLUID, AND 83 TONS CO2 WHEN SCREENED OUT W/9,714# PR6000 IN FORMATION & 18,400# IN CSG. OPEN WELL ON 18/64" CHK TO FBT W/6700#. FLOW 10 MIN. PRESS DROP TO 1500#. OPEN TO PIT TO UNLOAD SD. FLOW BACK 20 HRS. CHK: 24/64" TO 32/64", FCP: 1000# TO 60#. TLTR: 639 BBLS, TLR: 353 BBLS, LLTR: 286 BBLS.

**2/28/01 PREP TO SPOT ACID & REPERFORATE**  
 PROG: PU 4 3/4" BIT. RIH & TAG SD @ 9110'. CO SD TO 9150'. PUH TO 9012'.

**3/01/01 PREP TO FRAC**  
 PROG: SPOT 300 GALS 15% HCL ACROSS PERF INTERVAL 9066'-9121'. PERF MESA VERDE 9111'-9121', 3 SPF, 30 HOLES & 9066'-9076', 3 SPF, 30 HOLES. BRK DN W/5230# @ 2.26 BPM. ISIP: 3400#, 5 MIN: 2840#, 10 MIN: 2600#, 15 MIN: 2370#, FG: 0.8.

**3/02/01 PREP TO DO PLUGS**  
 PROG: FRAC MESA VERDE PERFS 9066'-9121' W/31,028# PR6000 & 760 BBLS YF135LG LIQUID GEL. SCREEN OFF W/15,754# SD IN FORMATION & 15,274# SD IN CSG. MTP: 7242#, ATP: 6500#, MTR: 40.9 BPM, ATR: 38 BPM, ISIP: 7000#. OPEN CHK TO FBT ON 24/64" CHK W/3300#. FLOW BACK WELL 20 HRS. CHK: 24/64" TO 64/64", FCP: 3300# TO 30#, 118 BWPH TO 7 BWPH. TLTR: 760 BBLS, TLR: 493 BBLS, LLTR: 267 BBLS.

**3/5/01 PREP TO RIH W/PKR.**  
 3/3/01 PROG: RIH W/4 3/4" BIT. TAG SD @ 9110'. DO CBP @ 9155'. CO WELLBORE TO 9800'.  
**PREP TO SET PKR & TEST ZONE #1**  
 3/4/01 PROG: SICP: 850#. BLOW DN IN 30 MIN. RIH W/5 1/2" HD PKR. EOT @ 9110'. SDFWI.

**3/6/01 PREP TO DO CHEM SQZ**  
 PROG: SI WO CHEMICAL.

**3/7/01 PREP TO SWAB**  
 PROG: SET PKR @ 9622'. PMP 60 GALS STIM CLEAN MIXED W/48 BBLS 15% HCL. MTP: 2715# BRK DN TO ATP: 109#, MTR: 2 BPM. ISIP: 0, WELL ON VACUUM. RLS PKR & POOH. RIH W/PROD EQUIP. LAND TBG @ 9634', SN @ 9600'.

**3/8/01 FLOW TESTING**  
 PROG: SICP: 1200#, SITP: 800#. BLOW DN IN 1 HR. RU SWAB. MADE 1 SWAB TRIP & WELL STARTED TO FLOW. IFL: 3500', RECOVER 74 BLW. OPEN TO TST SEPERATOR ON 32/64" CHK. FLOWBACK 16 HRS ON 24/64" CHK. FTP: 425#-225#, CP: 800#-625#, GAS RATE: 476 MCFPD-222 MCFPD (AVG 270 MCFPD), AVG WTR: 5 B/HR, TLR FOR DAY 520 BBLS (543 BBLS OVER LOAD).

**3/9/01 FLOW BACK 24 HRS ON 24/64" CHK. AVG FTP: 201#, AVG FCP: 600#, AVG GAS: 216 MCFPD, AVG WTR: 3.7 BWPH, LLTR: 1084 BBLS (NOTE: ADJUSTMENT MADE FROM YESTERDAYS REPORT TO INCLUDE MESA VERDE ZONES). FINAL REPORT. IP DATE: 3/8/01. FLWG 216 MCF, FTP: 201#, CP: 600#, 88 BW, LP: 100#, 24 HRS.**

(

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

5. Lease Serial No.  
U-78228

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
KENNEDY WASH UNIT

8. Well Name and No.  
KENNEDY WASH FEDERAL 11-1

API Well No.  
43-047-33666

10. Field and Pool, or Exploratory  
KENNEDY WASH

11. County or Parish, and State  
UINTAH COUNTY, UT

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
EL PASO PRODUCTION

Contact: CHERYL CAMERON<sup>9</sup>  
E-Mail: Cheryl.Cameron@CoastalCorp.com

3a. Address  
P.O. BOX 1148  
VERNAL, UT 84078

3b. Phone No. (include area code)  
Ph: 435.781.7023  
Fx: 435.789.4436

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 11 T8S R23E Mer NWSE 1913FSL 2142FEL

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off     |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity     |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> STARTUP |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The subject well was placed on sales on 8/5/01. Refer to the attached Chronological History Report.

RECEIVED  
AUG 27 2001  
DIVISION OF  
OIL, GAS AND MINES

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #6498 verified by the BLM Well Information System  
For EL PASO PRODUCTION, sent to the Vernal

Name (Printed/Typed) CHERYL CAMERON

Title OPERATIONS

Signature

Date 08/16/2001

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

**THE COASTAL CORPORATION  
PRODUCTION REPORT**

CHRONOLOGICAL HISTORY

**KENNEDY WASH 11-1**

Page 1

HORSESHOE BEND FIELD  
UINTAH COUNTY, UT

WI:

PBTD:10435 PERFS:0

CSG:

SPUD DATE:

AFE DESCR, AFE: AFE, SEGO COMPLETION  
FORMATION:  
CWC(MS):

**1/31/01      PREP TO CO WELLBORE**  
MIRU. PU & RIH W/BIT & 2-7/8" TBG.

**02/01/01      PREP TO RIH W/CBL**  
RIH & TAG PBTD @ 10,220'. PICKLE TBG. SPOT 250 GALS 15% HCL ACROSS PERF INTERVAL.

**02/02/01      PREP TO FRAC.**  
RIH W/CBL FROM 10,165' TO TOC @ 6740'. RIH W/ 4" GUNS. STACK OUT @ 9625'. RIH W/ 1 11/16" SINICER BAR, DID NOT HIT ANYTHING. RIH W/2.5" OD PERF GUNS. GUNS SHORTED OUT.

**02/03/01      PREP TO FRAC.**  
RIH & PERF SEGO FROM 9675'- 9685', 4 SPF, 40 HOLES. BRK DWN W /28000# @ 2 BPM- ISIP: 23000#, 5 MIN: 2150#, 10 MIN: 2000#, 15 MIN: 1850#. SI WO FRAC.

**02/06/01      FLWG BACK.**  
FRAC PERFS 9675'-9685', W/187,500# 20/40 PR-6000 & 2309 BBLS YF25LG. MTP: 4211#, ATP: 2309#, MTR: 42.77 BPM, ATR: 31.6 BPM, ISIP: 2730 #, FG: 0.73, NET PRESS INCR: 433#. RIH & SET CFP @ 9590'. PERF THE UPPER SEGO FROM 9569'- 9576', 6 SPF, 42 HOLES. FRAC W/26,800#, 20/40 PR- 6000 & 164 BBLS WF140 LG. BRK DN W/3598# W/ AN ISIP: 2715#. TREAT W/ MTP: 3928#, ATP: 26, MTR: 30.8 BPM, ATR: 27.6 BPM, FG: 0.75, NET PRESS INCR: 245#, 70% CO2. OPEN WELL ON 24/64" CHK. FB WELL 15 HRS ON 24/64" CHK. FLP: 2000 TO 400#, 320 BWPH TO 36 BWPH, TLTR: 2473 BBLS, TLR: 1498 BBLS, LLTR: 975 BBLS.

**02/07/01      PREP TO DO CFP.**  
FLW BCK 24 HRS ON 32/64" CHK. CP: 400# TO 275#, 36 BWPH TO 10 BWPH, AVG MCFPD: 553, TLR: 2113 BBLS, LLTR: 360 BBLS

**02/08/01      FLW TST, PREP TO RUN PROD LOG.**  
RIH W/ 4 3/4" BIT. TAG CFP @ 9590'. DO CFP. RIH TO 10,165'. PU & LAND TBG @ 9377'. PMP OFF BIT SUB. MADE 7 SWAB TRIPS & REC 82 BW. WELL ST TO FLW. FLW BCK 12 HRS ON 32/64" CHK. AVG FTP: 217#, AVG CP: 803#, AVG GAS RATE: 144 MCFPD. TLR LAST 24 HRS: 148 BBLS, LLTR: 212 BBLS.

**02/09/01      LOWER TBG.**  
MIRU PLS. RIH W/1.75" X 1.72" OD GAUGE RING & STACKED OUT @ 9377'. RIH W/ 1.58" OD GAUGE RING BEATING DN THROUGH 9377' & CONT DN TO 9860'. RIH W/ 1.68" OD TRACER TOOLS TO 9800'. LOG FROM 9814'-9334'. RESULTS LOOKED GOOD. MIRU WELL INFORMATION SERVICES. RIH W/ PRODUCTION LOGGING TOOLS. LOG SHOULD FROM 9675'- 9685' 22% GAS & 10% WTR & 9569'-9576' 78% GAS & 90% WTR. FLW WELL OVER NIGHT AVE FTP: 120#, CP: 752# 31/64" CHK, 5 BWPH, & 176 MCF W/ 2381 BBLS REC & 2 BBLS LLTR.

**2/10/01      FLW TEST WELL.**  
SICP: 600#, FTP: 60#. KILL WELL W/ 10 BBLS 3% DN TBG. LAND TBG @ 9635'. ND BOP. NUWH. RU SWAB EQUIP. IFL: 2500'. MADE 7 RUNS. REC 55 BBLS WTR. FFL: SURFACE. WELL STARTED FLWG. SITP: 800#, FTP: 150#. RIG DN WORK OVER UNIT. LEAVE WELL FLWG W/ BRECO FLOW TESTERS. SDFN.

**2/11/01      PROD: WELL FLWG. 190 MCFPD & 3 BWPH. FTP: 180#. CP: 700#.**

**2/12/01      PROD: WELL FLWG. 133 MCFDP & 2 BWPH. FTP: 90#. CP: 900#.**



02/13/01 **SIBUP.**

02/14/01 **FLW TST.**  
PROG: SITP: 1200#, SICP: 1550#. OPEN TO FBT ON 16/64" CHK. FB 19 HRS. CHK 16/64" TO 20/64". FTP: 1200# TO 150#, CP: 1550# TO 680#, 2 BWPH TO 5 BWPH. TLR: 2676 BBLS (203 BBLS OVERLOAD)

02/15/01 **FLW TST.**  
PROG: AVG CHK: 24/64", AVG FTP: 131#, AVG CP: 710#, AVG GAS RATE: 140 MCFPD, AVG. WTR: 2 BBLS/HR, 24 HR WTR RECOVERY: 47BBLS. REC 250 BBLS OVER LOAD

02/16/01 **FLW TST.**  
PROG: FLOW TESTING 24 HRS. AVG CHK: 16/64", AVG FTP: 135#, AVG CP: 650#, AVG GAS RATE: 102 MCFPD, AVG WTR ENTRY: 1.5BPH, TLR: 2761 BBLS (288 BBLS OVER LOAD). LOAD REC LAST 24 HRS: 38 BBLS.

02/20/01 **PROG: SI WO RIG**

02/21/01 **SI WO RIG**  
PROG: TOO MUDDY TO MOVE IN.

2/22/01 **SWABBING**  
PROG: RU BOPE. POOH W/TBG. RIH W/PKR. SET PKR @ 9635'. MADE 4 SWAB TRIPS. IFL: 3300'. FFL: 5000', RECOVER 20 BBLS GAS CUT FLUID.

2/23/01 **WAITING ON CEMENT**  
PROG: SICP: 200#, SITP: 200#, BLEW WELL DN. POOH W/TBG. PU 5 1/2" CICR & RIH. SET CICR @ 6745'. PRESS TST TBG & CICR TO 1000#. EST INJ RATE @ 4BPM @ 1900#. SQZD PERFS (6864'-6903') W/100 SXS CLASS 'G' W/0.3% HALAD 344, 0.2% CFR-3, WGT: 15.8 PPG, YIELD: 1.15. DISPLACED W/17 BBLS WTR ISIP: 0#, WAITED 5 MIN. PMPD 1 BBL WTR ISIP: 0#. WAIT 15 MIN. PMPD 1 BBL WTR ISIP: 0#. WAIT 15 MIN. PMPD 2 BBLS WTR ISIP: 500#. WAIT 15 MIN. PUMPD 1 BBL WTR ISIP: 1930#. WAIT 15 MIN. PMPD 1/2 BBL WTR. ISIP: 2020#, STUNG OUT OF CICR. PUH 5 STANDS & REVERSED TBG CLEAN W/ 40 BBLS 2% KCL. POOH W/TBG.

2/26/01 **PREP TO FRAC**  
2/24 PROG: RIH & SET CBP @ 9155'. PERF MESA VERDE 9110'-9122', 4 SPF, 48 HOLES & 9063'-9075', 4 SPF, 48 HOLES. 0/PRESS. BRK DN PERFS W/3600# @ 10BPM. PUMP 395 BBLS 2% KCL & 150 1.3 SG BIODEGRADABLE BALL SEALERS. NO BALL OFF. ISIP: 2930#, FG: 0.75.

2/27/01 **PREP TO REPERFORATE**  
PROG: FRAC W/70 QUALITY CO2/WF140LG FOAM. PUMP 28,114# 20/40 PR6000, 244 BBLS FLUID, AND 83 TONS CO2 WHEN SCREENED OUT W/9,714# PR6000 IN FORMATION & 18,400# IN CSG. OPEN WELL ON 18/64" CHK TO FBT W/6700#. FLOW 10 MIN. PRESS DROP TO 1500#. OPEN TO PIT TO UNLOAD SD. FLOW BACK 20 HRS. CHK: 24/64" TO 32/64", FCP: 1000# TO 60#. TLTR: 639 BBLS, TLR: 353 BBLS, LLTR: 286 BBLS.

2/28/01 **PREP TO SPOT ACID & REPERFORATE**  
PROG: PU 4 3/4" BIT. RIH & TAG SD @ 9110'. CO SD TO 9150'. PUH TO 9012'.

3/01/01 **PREP TO FRAC**  
PROG: SPOT 300 GALS 15% HCL ACROSS PERF INTERVAL 9066'-9121'. PERF MESA VERDE 9111'-9121', 3 SPF, 30 HOLES & 9066'-9076', 3 SPF, 30 HOLES. BRK DN W/5230# @ 2.26 BPM. ISIP: 3400#, 5 MIN: 2840#, 10 MIN: 2600#, 15 MIN: 2370#, FG: 0.8.

3/02/01 **PREP TO DO PLUGS**  
PROG: FRAC MESA VERDE PERFS 9066'-9121' W/31,028# PR6000 & 760 BBLS YF135LG LIQUID GEL. SCREEN OFF W/15,754# SD IN FORMATION & 15,274# SD IN CSG. MTP: 7242#, ATP: 6500#, MTR: 40.9 BPM, ATR: 38 BPM, ISIP: 7000#. OPEN CHK TO FBT ON 24/64" CHK W/3300#. FLOW BACK WELL 20 HRS. CHK: 24/64" TO 64/64", FCP: 3300# TO 30#, 118 BWPH TO 7 BWPH. TLTR: 760 BBLS, TLR: 493 BBLS, LLTR: 267 BBLS.

3/5/01 **PREP TO RIH W/PKR.**  
3/3/01 PROG: RIH W/4 1/2" BIT. TAG SD @ 9110'. DO CBP @ 9155'. CO WELLBORE TO 9800'.

**PREP TO SET PKR & TEST ZONE #1**  
3/4/01 PROG: SICP: 850#. BLOW DN IN 30 MIN. RIH W/5 1/2" HD PKR. EOT @ 9110'. SDFWI.

3/6/01      **PREP TO DO CHEM SQZ**  
PROG: SI WO CHEMICAL.

3/7/01      **PREP TO SWAB**  
PROG: SET PKR @ 9622'. PMP 60 GALS STIM CLEAN MIXED W/48 BBLS 15% HCL.  
MTP: 2715# BRK DN TO ATP: 109#, MTR: 2 BPM. ISIP: 0, WELL ON VACUUM. RLS PKR  
& POOH. RIH W/PROD EQUIP. LAND TBG @ 9634', SN @ 9600'.

3/8/01      **FLOW TESTING**  
PROG: SICP: 1200#, SITP: 800#. BLOW DN IN 1 HR. RU SWAB. MADE 1 SWAB TRIP &  
WELL STARTED TO FLOW. IFL: 3500', RECOVER 74 BLW. OPEN TO TST SEPERATOR  
ON 32/64" CHK. FLOWBACK 16 HRS ON 24/64" CHK. FTP: 425#-225#, CP: 800#-625#, GAS  
RATE: 476 MCFPD-222 MCFPD (AVG 270 MCFPD), AVG WTR: 5 B/HR, TLR FOR DAY  
520 BBLS (543 BBLS OVER LOAD).

3/9/01      **FLOW BACK 24 HRS ON 24/64" CHK. AVG FTP: 201#, AVG FCP: 600#, AVG GAS: 216**  
**MCFPD, AVG WTR: 3.7 BWPH, LLTR: 1084 BBLS (NOTE: ADJUSTMENT MADE FROM**  
**YESTERDAYS REPORT TO INCLUDE MESA VERDE ZONES). FINAL REPORT. IP DATE:**  
**3/8/01. FLWG 216 MCF, FTP: 201#, CP: 600#, 88 BW, LP: 100#, 24 HRS.**

---

8/6/01      **PLACED ON SALES 8/5/01 @ 12:00 PM. SPOT PROD DATA: CHK: 18/64", FTP: 2900#,**  
**CP: 3862#, 3-5 BWPH, 1400 MCFPD.**

8/7/01      **459 MCF, TP: 2794#, CP: 3077#, 17 BW, 0 BC, 17/64" CHK, 12 HRS, LP: 375#. HIGH**  
**LOW SHUT.**

8/8/01      **560 MCF, TP: 2201#, CP: 2591#, 24 BW, 13 BC, 16/64" CHK, 24 HRS, LP: 371#.**

8/9/01      **531 MCF, TP: 1982#, CP: 2524#, 18 BW, 6 BC, 18/64" CHK, 24 HRS, LP: 282#.**

8/10/01      **867 MCF, TP: 1154#, CP: 1676#, 71 BW, 63 BC, 20/64" CHK, 24 HRS, LP: 371#.**

8/11/01      **786 MCF, TP: 512#, CP: 955#, 126 BW, 20 BC, 20/64" CK, 24 HRS, LP: 378#.**

8/12/01      **624 MCF, TP: 447#, CP: 831#, 20 BW, 8 BC, 20/64" CK, 24 HRS, LP: 325#.**

8/13/01      **535 MCF, TP: 444#, CP: 822#, 120 BW, 7 BC, 64/64" CK 24 HRS, LP: 316#.**

8/14/01      **535 MCF, TP: 345#, CP: 781#, 59 BW, 13 BC, 64/64" CK, 24 HRS, LP: 311#.**

8/15/01      **477 MCF, TP: 308#, CP: 740#, 60 BW, 8 BC, 64/64" CK, 24 HRS, LP: 300#.**

8/16/01      **450 MCF, TP: 331#, CP: 729#, 47 BW, 16 BC, 64/64" CK, 24 HRS, LP: 302#. FINAL**  
**REPORT.**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

5. Lease Serial No.  
U-78228

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
KENNEDY WASH UNIT

8. Well Name and No.  
KENNEDY WASH FEDERAL 11-1

API Well No.  
43-047-33666

10. Field and Pool, or Exploratory  
KENNEDY WASH

11. County or Parish, and State  
UINTAH COUNTY, UT

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
EL PASO PRODUCTION

Contact: CHERYL CAMERON<sup>9</sup>  
E-Mail: Cheryl.Cameron@CoastalCorp.com

3a. Address  
P.O. BOX 1148  
VERNAL, UT 84078

3b. Phone No. (include area code)  
Ph: 435.781.7023  
Fx: 435.789.4436

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 11 T8S R23E Mer NWSE 1913FSL 2142FEL

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other          |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input checked="" type="checkbox"/> Water Disposal |   |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY**

**RECEIVED**  
AUG 27 2001  
DIVISION OF  
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #6499 verified by the BLM Well Information System  
For EL PASO PRODUCTION, sent to the Vernal**

Name (Printed/Typed) CHERYL CAMERON

Title OPERATIONS

Signature

*Cheryl Cameron*

Date 08/16/2001

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

5. Lease Serial No.  
U-78228

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
KENNEDY WASH UNIT

8. Well Name and No.  
KENNEDY WASH FEDERAL 11-1

API Well No.  
43-047-33666

10. Field and Pool, or Exploratory  
KENNEDY WASH

11. County or Parish, and State  
UINTAH COUNTY, UT

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
EL PASO PRODUCTION

Contact: CHERYL CAMERON<sup>9</sup>  
E-Mail: Cheryl.Cameron@CoastalCorp.com

3a. Address  
P.O. BOX 1148  
VERNAL, UT 84078

3b. Phone No. (include area code)  
Ph: 435.781.7023  
Fx: 435.789.4436

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 11 T8S R23E Mer NWSE 1913FSL 2142FEL

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other          |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input checked="" type="checkbox"/> Water Disposal |   |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY**

**RECEIVED**

10 27 2001

**DIVISION OF  
OIL, GAS AND MINING**

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #6499 verified by the BLM Well Information System  
For EL PASO PRODUCTION, sent to the Vernal**

Name (Printed/Typed) CHERYL CAMERON

Title OPERATIONS

Signature

Date 08/16/2001

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436  
Telephone: 303 573 5404 Fax: 303 573 5609

**February 1, 2002**

Department of the Interior  
Bureau of Land Management  
2850 Youngfield Street  
Lakewood, CO 80215-7093  
Attention: Ms. Martha Maxwell

**RE: BLM Bond CO-1203**  
**BLM Nationwide Bond 158626364**  
**Surety - Continental Casualty Company**  
**Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.**  
**Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.**  
**Assumption Rider - Westport Oil and Gas Company, L.P.**

**Dear Ms. Maxwell:**

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.  
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.  
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,  
Westport Oil and Gas Company, L.P.

Debby J. Black  
Engineer Technician

Encl:



# United States Department of the Interior **RECEIVED**

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

FEB 21 2002

### NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas  
410 Seventeenth Street, #2300 :  
Denver Colorado 80215-7093 :

#### Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

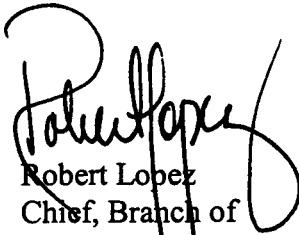
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405  
UTU-20895  
UTU-25566  
UTU-43156  
UTU-49518  
UTU-49519  
UTU-49522  
UTU-49523



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to  
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

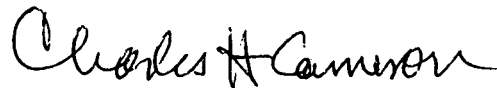
We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.

CC: Minerals & Mining Section of RES  
Ute Energy & Mineral Resources Department: Executive Director  
chronos







IN REPLY REFER TO:  
Real Estate Services

## United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

Carroll A. Wilson  
Principal Landman  
Westport Oil and Gas Company, L.P.  
1368 South 1200 East  
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

**ACTING**

Enclosure

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:  
Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER

2. NAME OF OPERATOR:

El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR:

9 Greenway Plaza

CITY: Houston

STATE: TX

ZIP: 77064-0995

PHONE NUMBER:

(832) 676-5933

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION  | TYPE OF ACTION  |   |  |  |
|---|---|---|--|--|
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br><br>Approximate date work will start:<br><br> | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |  |
|   | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |  |
|   | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON           |  |
|   | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input checked="" type="checkbox"/> OPERATOR CHANGE       | <input type="checkbox"/> TUBING REPAIR                 |  |
|   | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                 |  |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br><br>Date of work completion:<br><br>   | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                |  |
|   | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                |  |
|   | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input type="checkbox"/> OTHER:                        |  |
|   | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |  |  |

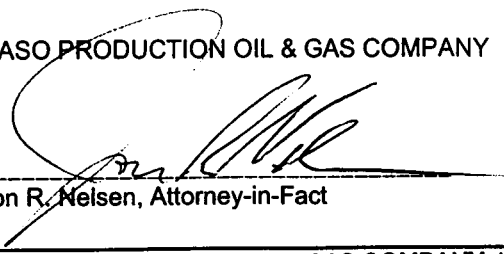
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND #

State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By:   
Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

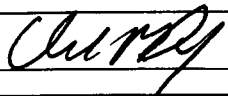
DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.

NAME (PLEASE PRINT) David R. Dix

TITLE Agent and Attorney-in-Fact

SIGNATURE



DATE

12/17/02

(This space for State use only)

Form 3160-5  
(August 1999)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## SUNDRY NOTICES AND REPORTS ON WELLS

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side**1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL &amp; GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED EXHIBIT "A"

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

SEE ATTACHED EXHIBIT "A"

9. API Well No.

SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UT

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent         | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off   |
| <input type="checkbox"/> Subsequent Report        | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity   |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | SUCCESSOR OF                              |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            | OPERATOR                                  |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration then. If the proposal is to deepen directionally or recompletes horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zc. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed if testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Date

March 4, 2003

DIV. OF OIL, GAS &amp; MINING

## THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

## OPERATOR CHANGE WORKSHEET

## ROUTING

1. GLH

2. CDW. ✓

3. FILE

**X Change of Operator (Well Sold)**

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **12-17-02****FROM: (Old Operator):**

EL PASO PRODUCTION OIL &amp; GAS COMPANY

Address: 9 GREENWAY PLAZA

HOUSTON, TX 77064-0995

Phone: 1-(832)-676-5933

Account No. N1845

**TO: (New Operator):**

WESTPORT OIL &amp; GAS COMPANY LP

Address: P O BOX 1148

VERNAL, UT 84078

Phone: 1-(435)-781-7023

Account No. N2115

CA No.

Unit:

**WELL(S)**

| NAME                       | SEC TWN<br>RNG | API NO       | ENTITY<br>NO | LEASE<br>TYPE | WELL<br>TYPE | WELL<br>STATUS |
|----------------------------|----------------|--------------|--------------|---------------|--------------|----------------|
| TRIBAL 31-98 (NRM-1887)    | 31-08S-22E     | 43-047-33375 | 12685        | STATE         | GW           | P              |
| HALL 31-99 (NRM-1887)      | 31-08S-22E     | 43-047-33390 | 12756        | FEE           | GW           | P              |
| TRIBAL 31-128              | 31-08S-22E     | 43-047-33460 | 12722        | STATE         | GW           | P              |
| TRIBAL 31-129              | 31-08S-22E     | 43-047-33461 | 12739        | STATE         | GW           | P              |
| HALL 31-130 (NRM-1887)     | 31-08S-22E     | 43-047-33427 | 12738        | FEE           | GW           | P              |
| HALL 31-131 (NRM-1887)     | 31-08S-22E     | 43-047-33438 | 12728        | FEE           | GW           | P              |
| TRIBAL 31-132              | 31-08S-22E     | 43-047-33462 | 12776        | STATE         | GW           | P              |
| HALL 31-133 (NRM-1887)     | 31-08S-22E     | 43-047-33439 | 12723        | FEE           | GW           | P              |
| HALL 31-134 (NRM-1887)     | 31-08S-22E     | 43-047-33428 | 12698        | FEE           | GW           | P              |
| HALL ETAL 31-18 (NRM-1887) | 31-08S-22E     | 43-047-30664 | 95           | FEE           | GW           | P              |
| STATE 31 32                | 31-08S-22E     | 43-047-30906 | 175          | STATE         | GW           | P              |
| TRIBAL 31-62               | 31-08S-22E     | 43-047-33325 | 12575        | INDIAN        | GW           | P              |
| KENNEDY WASH 3-1           | 03-08S-23E     | 43-047-33663 | 12929        | FEDERAL       | GW           | P              |
| KENNEDY WASH 4-1           | 04-08S-23E     | 43-047-33664 | 99999        | FEDERAL       | GW           | APD            |
| KENNEDY WASH 6-1           | 06-08S-23E     | 43-047-33665 | 13047        | FEDERAL       | GW           | PA             |
| KENNEDY WASH 8-1           | 08-08S-23E     | 43-047-33614 | 12917        | FEDERAL       | GW           | DRL            |
| KENNEDY WASH 10-1          | 10-08S-23E     | 43-047-33919 | 99999        | FEDERAL       | GW           | APD            |
| KENNEDY WASH FED 11-1      | 11-08S-23E     | 43-047-33666 | 12988        | FEDERAL       | GW           | P              |
| KENNEDY WASH FED 13-2      | 13-08S-23E     | 43-047-33920 | 99999        | FEDERAL       | GW           | APD            |
| KENNEDY WASH FED 14-1      | 14-08S-23E     | 43-047-33667 | 13028        | FEDERAL       | GW           | S              |

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. If **NO**, the operator was contacted contacted on: \_\_\_\_\_

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: 01/09/2003

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

1. Changes entered in the Oil and Gas Database on: 03/26/2003
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/26/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

**STATE WELL(S) BOND VERIFICATION:**

1. State well(s) covered by Bond Number: RLB 0005236

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: 158626364

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: RLB 0005239

**FEE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

|   |                              |
|---|------------------------------|
| 5. Lease Serial No.                         | MULTIPLE WELLS- SEE ATTACHED |
| 6. If Indian, Allottee or Tribe Name        |                              |
| 7. If Unit or CA/Agreement, Name and/or No. | MULTIPLE WELLS- SEE ATTACHED |
| 8. Well Name and No.                        | MULTIPLE WELLS- SEE ATTACHED |
| 9. API Well No.                             | MULTIPLE WELLS- SEE ATTACHED |
| 10. Field and Pool, or Exploratory Area     | MULLIGAN                     |
| 11. County or Parish, State                 | UINTAH COUNTY, UTAH          |

|  |   |
|--|---|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other |   |
| 2. Name of Operator<br>WESTPORT OIL & GAS COMPANY, L.P.  |   |
| 3a. Address<br>1368 SOUTH 1200 EAST, VERNAL, UTAH 84078  | 3b. Phone No. (include area code)<br>435-781-7060 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>MULTIPLE WELLS- SEE ATTACHED                           |   |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |  |  |
|--|---|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off            |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity            |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other VARIANCE |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part III C. a. requiring each sales tank be equipped with a pressure- vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. To 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped. The average well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached. Westport Oil & Gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

|   |                                  |
|---|----------------------------------|
| 14. I hereby certify that the foregoing is true and correct |                                  |
| Name (Printed/Typed)<br>DEBRA DOMENICI                      | Title<br>ENVIRONMENTAL ASSISTANT |
| Signature<br><i>Debra Domenici</i>                          | Date<br>July 9, 2004             |

THIS SPACE FOR FEDERAL OR STATE USE

|   |   |      |
|---|---|------|
| Approved by   | Title<br>Accepted by the<br>Utah Division of<br>Oil, Gas and Mining | Date |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. |   |      |
| Title 18 U.S.C. Section 1001: make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. |   |      |

(Instructions on reverse)

COPY SENT TO OPERATOR  
Date: 7-16-04  
Initials: CMO

By:

RECEIVED

JUL 14 2004

# ALL WELLS ROCKY MOUNTAIN GAS- KENNEDY WASH ENARDO VARIANCE

| WELL                  | LEGALS                 | STF LEASE NO | CA NUMBER  | API NO     |
|-----------------------|------------------------|--------------|------------|------------|
| KENNEDY WASH FED 03-1 | NWSE SEC 3, T8S, R23E  | UTU76830     |            | 4304733663 |
| KENNEDY WASH FED 11-1 | NWSE SEC 11, T8S, R23E | UTU78228     |            | 4304733666 |
| KENNEDY WASH FED 13-1 | NENE SEC 13, T8S, R22E | UTU73685     |            | 4304733615 |
| KENNEDY WASH FED 14-1 | NWSW SEC 14, T8S, R23E | UTU71424     |            | 4304733667 |
| MULLIGAN FEDERAL 8-1  | NWSE S8 T8S R23E       | UTU 73020    | UTU80643X  | 4304733614 |
| SAND RIDGE FED 23-17  | NESW SEC 17, T8S, R23E | UTU0143276   | UTU0143276 | 4304730623 |

# Westport Oil & Gas, L.P.

## Project Economics Worksheet

### Instructions:

Fill in blue boxed areas with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name:

Condensate Shrinkage Economics

Is this job a well pull or production rig job ??? ☐ N (Y or N)

|                         | BEFORE<br>\$/Year | AFTER<br>\$/Year | DIFFERENCE<br>\$/Year        |
|-------------------------|-------------------|------------------|------------------------------|
| Gross Oil Revenue       | \$1,088           | \$1,099          | \$11                         |
| Gross Gas Revenue       | \$0               | \$0              | \$0                          |
| NGL Revenue             | \$0               | \$0              | \$0                          |
| PULING UNIT SERVICE     |                   |                  | \$0                          |
| WIRELINE SERVICE        |                   |                  | \$0                          |
| SUBSURF EQUIP REPAIRS   |                   |                  | \$0                          |
| COMPANY LABOR           |                   |                  | \$0                          |
| CONTRACT LABOR          | \$0               | \$200            | \$200                        |
| CONTR SERVICE           |                   |                  | \$0                          |
| LEASE FUEL GAS          | \$0               | \$0              | \$0                          |
| UTILITIES - ELECTRICITY | \$0               | \$0              | \$0                          |
| CHEMICAL TREATING       |                   |                  | \$0                          |
| MATERIAL & SUPPLY       | \$0               | \$150            | \$150                        |
| WATER & HAULING         |                   |                  | \$0                          |
| ADMINISTRATIVE COSTS    |                   |                  | \$0                          |
| GAS PLANT PROCESSING    |                   |                  | \$0                          |
| Totals                  | \$0               | \$350            | \$350 Increased OPX Per Year |

### Investment Breakdown:

|            | Cap/Exp<br>Code | Cost, \$ |
|------------|-----------------|----------|
| Capital \$ | 820/830/840     | \$1,200  |
| Expense \$ | 830/840         | \$0      |
| Total \$   |                 | \$1,200  |

|               |          |              |
|---------------|----------|--------------|
| Oil Price     | \$ 23.00 | \$/BO        |
| Gas Price     | \$ 3.10  | \$/MCF       |
| Electric Cost | \$ -     | \$/ HP / day |
| OPX/BF        | \$ 2.00  | \$/BF        |
| OPX/MCF       | \$ 0.62  | \$/MCF       |

### Production & OPX Detail:

|                 | Before |       | After |       | Difference |
|-----------------|--------|-------|-------|-------|------------|
| Oil Production  | 0.192  | BOPD  | 0.194 | BOPD  | 0.002 BOPD |
| Gas Production  | 0      | MCFPD | 0     | MCFPD | 0 MCFPD    |
| Wtr Production  | 0      | BWPD  | 0     | BWPD  | 0 BWPD     |
| Horse Power     |        | HP    |       | HP    | 0 HP       |
| Fuel Gas Burned |        | MCFPD |       | MCFPD | 0 MCFPD    |

### Project Life:

Life = 20.0 Years  
(Life no longer than 20 years)

### Internal Rate of Return:

After Tax IROR = #DIV/0!

### AT Cum Cashflow:

Operating Cashflow = (\$2,917) (Discounted @ 10%)

### Payout Calculation:

Payout =  $\frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}}$  = 1

Payout occurs when total AT cashflow equals investment  
See graph below, note years when cashflow reaches zero

Payout = NEVER Years or #VALUE! Days

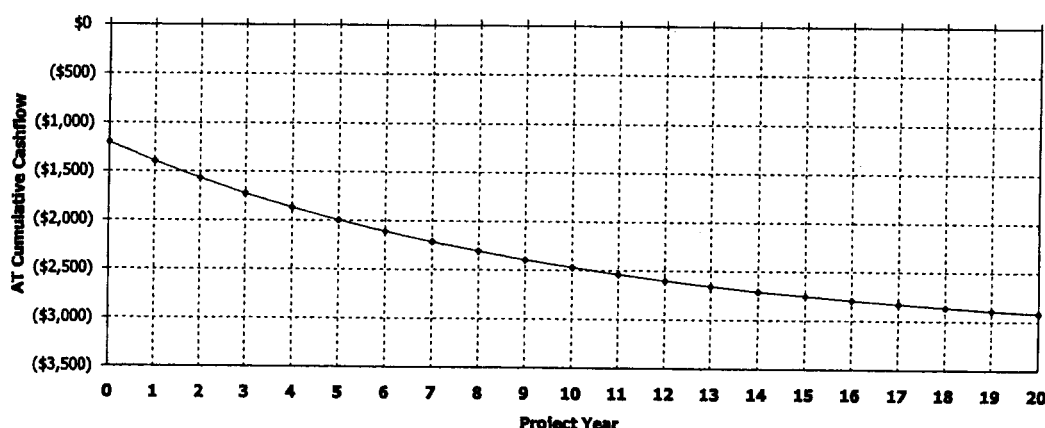
### Gross Reserves:

Oil Reserves = 6 BO  
Gas Reserves = 0 MCF  
Gas Equiv Reserves = 38 MCFE

### Notes/Assumptions:

An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.194 Bcpd if 4 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics





**Westport Oil and Gas, Inc.**  
**NBU/Ouray Field**  
RFL 2003-022

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

| Flash Conditions |    | Gas/Oil Ratio<br>( scf/STbbl )<br>(A) | Specific Gravity of<br>Flashed Gas<br>( Air=1.000 ) | Separator<br>Volume<br>Factor<br>(B) | Separator<br>Volume<br>Percent<br>(C) |
|------------------|----|---------------------------------------|---|--------------------------------------|---------------------------------------|
| psig             | °F |                                       |   |                                      |                                       |

**Calculated at Laboratory Flash Conditions**

|    |     |      |       |       |         |
|----|-----|------|-------|-------|---------|
| 80 | 70  |      |       | 1.019 |         |
| 0  | 122 | 30.4 | 0.993 | 1.033 | 101.37% |
| 0  | 60  | 0.0  | —     | 1.000 | 98.14%  |

**Calculated Flash with Backpressure using Tuned EOS**

|        |    |      |       |       |        |
|--------|----|------|-------|-------|--------|
| 80     | 70 |      |       | 1.015 |        |
| 6.0 oz | 65 | 24.6 | 0.777 | 1.003 | 98.82% |
| 0      | 60 | 0.0  | —     | 1.000 | 98.52% |
| 80     | 70 |      |       | 1.015 |        |
| 4.0 oz | 65 | 24.7 | 0.778 | 1.003 | 98.82% |
| 0      | 60 | 0.0  | —     | 1.000 | 98.52% |
| 80     | 70 |      |       | 1.015 |        |
| 2.0 oz | 65 | 24.7 | 0.779 | 1.003 | 98.82% |
| 0      | 60 | 0.0  | —     | 1.000 | 98.52% |
| 80     | 70 |      |       | 1.015 |        |
| 0      | 65 | 24.8 | 0.780 | 1.003 | 98.82% |
| 0      | 60 | 0.0  | —     | 1.000 | 98.52% |

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ

2. CDW

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**1/6/2006**

**FROM: (Old Operator):**

N2115-Westport Oil & Gas Co., LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**TO: ( New Operator):**

N2995-Kerr-McGee Oil & Gas Onshore, LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

| CA No.    |     |     | Unit: |        | MULLIGAN UNIT |            |           |             |
|-----------|-----|-----|-------|--------|---------------|------------|-----------|-------------|
| WELL NAME | SEC | TWN | RNG   | API NO | ENTITY NO     | LEASE TYPE | WELL TYPE | WELL STATUS |

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on: \_\_\_\_\_
- a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: \_\_\_\_\_

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

| ROUTING |  |
|---------|--|
| 1. DJJ  |  |
| 2. CDW  |  |

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

|   |  |  |
|---|--|--|
| The operator of the well(s) listed below has changed, effective:  |  | <b>1/6/2006</b>  |
| <b>FROM: (Old Operator):</b><br>N2115-Westport Oil & Gas Co., LP<br>1368 South 1200 East<br>Vernal, UT 84078<br>Phone: 1-(435) 781-7024 |  | <b>TO: ( New Operator):</b><br>N2995-Kerr-McGee Oil & Gas Onshore, LP<br>1368 South 1200 East<br>Vernal, UT 84078<br>Phone: 1-(435) 781-7024 |

| CA No.               |             |      |      | Unit:      | MULLIGAN UNIT |            |           |             |
|----------------------|-------------|------|------|------------|---------------|------------|-----------|-------------|
| WELL NAME            | SEC TWN RNG |      |      | API NO     | ENTITY NO     | LEASE TYPE | WELL TYPE | WELL STATUS |
| FEDERAL 23-17        | 17          | 080S | 230E | 4304730623 | 6126          | Federal    | GW        | PA          |
| MULLIGAN FED 8-1     | 08          | 080S | 230E | 4304733614 | 12917         | Federal    | GW        | P           |
| KENNEDY WASH 3-1     | 03          | 080S | 230E | 4304733663 | 12929         | Federal    | GW        | P           |
| KENNEDY WASH 11-1    | 11          | 080S | 230E | 4304733666 | 12988         | Federal    | GW        | P           |
| KENNEDY WASH 14-1    | 14          | 080S | 230E | 4304733667 | 13028         | Federal    | GW        | PA          |
| MULLIGAN FED 823-19P | 19          | 080S | 230E | 4304735734 | 14444         | Federal    | GW        | P           |
| MULLIGAN 822-13G     | 13          | 080S | 220E | 4304736556 |               | Federal    | GW        | APD         |
| MULLIGAN 823-18E     | 18          | 080S | 230E | 4304736557 |               | Federal    | GW        | APD         |
| MULLIGAN 822-24H     | 24          | 080S | 220E | 4304737077 |               | Federal    | GW        | APD         |
| MULLIGAN 822-24G     | 24          | 080S | 220E | 4304737078 | 15155         | Federal    | GW        | P           |
| KENNEDY WASH 16-1    | 16          | 080S | 230E | 4304733589 | 12871         | State      | GW        | PA          |

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                      |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                      |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other CHANGE OF OPERATOR |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005237

APPROVED 5/16/06

Earlene Russell

Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDY BAYNE

Title

DRILLING MANAGER

Signature

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**WESTPORT OIL & GAS COMPANY L.P.**

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**SEE ATTACHED**

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| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |
|---|---|---|--|--|
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| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                      |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other CHANGE OF OPERATOR |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

**APPROVED** 5/16/06  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

**RECEIVED**  
**MAY 10 2006**

**DIV. OF OIL, GAS & MINING**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**BRAD LANEY**

Signature

Title

**ENGINEERING SPECIALIST**

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

*Brad Laney*

Title

Date

**5-9-06**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>



IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

### Memorandum

To: Vernal Field Office  
From: Chief, Branch of Fluid Minerals  
Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

### Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

RECEIVED

MAR 28 2006

ENV. OF OIL, GAS & MINES



|  |  |   |
|--|--|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  |  | <b>FORM 9</b>   |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |  | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>U-78228 |
| <b>1. TYPE OF WELL</b><br>Gas Well   |  | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>              |
| <b>2. NAME OF OPERATOR:</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.  |  | <b>7. UNIT or CA AGREEMENT NAME:</b><br>MULLIGAN          |
| <b>3. ADDRESS OF OPERATOR:</b><br>P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779  |  | <b>8. WELL NAME and NUMBER:</b><br>KENNEDY WASH 11-1      |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>1913 FSL 2142 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NWSE Section: 11 Township: 08.0S Range: 23.0E Meridian: S  |  | <b>9. API NUMBER:</b><br>43047336660000                   |
| <b>PHONE NUMBER:</b><br>720 929-6007 Ext   |  | <b>9. FIELD and POOL or WILDCAT:</b><br>KENNEDY WASH      |
| <b>COUNTY:</b><br>UINTAH   |  | <b>STATE:</b><br>UTAH                                     |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>   |  |   |
| <b>TYPE OF SUBMISSION</b>  | <b>TYPE OF ACTION</b>  |   |
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:   | <input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR<br><input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME<br><input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE<br><input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION<br><input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK<br><input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br><input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARY ABANDON<br><input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL<br><input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> APD EXTENSION<br><input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER |   |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:<br>9/2/2010  | OTHER: <input style="width: 100px;" type="text"/>  |   |
| <input type="checkbox"/> SPUD REPORT<br>Date of Spud:  |  |   |
| <input type="checkbox"/> DRILLING REPORT<br>Report Date:   |  |   |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br>This previously shut-in well location was returned to production on September 2, 2010.  |  |   |
| <b>Accepted by the<br/>         Utah Division of<br/>         Oil, Gas and Mining<br/>         FOR RECORD ONLY</b><br>September 09, 2010   |  |   |
| <b>NAME (PLEASE PRINT)</b><br>Gina Becker  | <b>PHONE NUMBER</b><br>720 929-6086  | <b>TITLE</b><br>Regulatory Analyst II                     |
| <b>SIGNATURE</b><br>N/A  | <b>DATE</b><br>9/9/2010  |   |

|  |  |   |
|--|--|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  |  | <b>FORM 9</b>   |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |  | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>U-78228 |
| <b>1. TYPE OF WELL</b><br>Gas Well   |  | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>              |
| <b>2. NAME OF OPERATOR:</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.  |  | <b>7. UNIT or CA AGREEMENT NAME:</b><br>MULLIGAN          |
| <b>3. ADDRESS OF OPERATOR:</b><br>P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779  |  | <b>8. WELL NAME and NUMBER:</b><br>KENNEDY WASH 11-1      |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>1913 FSL 2142 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NWSE Section: 11 Township: 08.0S Range: 23.0E Meridian: S  |  | <b>9. API NUMBER:</b><br>43047336660000                   |
| <b>PHONE NUMBER:</b><br>720 929-6007 Ext   |  | <b>9. FIELD and POOL or WILDCAT:</b><br>KENNEDY WASH      |
| <b>COUNTY:</b><br>UINTAH   |  | <b>STATE:</b><br>UTAH                                     |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>   |  |   |
| <b>TYPE OF SUBMISSION</b>  | <b>TYPE OF ACTION</b>  |   |
| <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:<br>10/25/2010   | <input type="checkbox"/> ACIDIZE<br><input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br><input type="checkbox"/> CHANGE WELL STATUS<br><input type="checkbox"/> DEEPEN<br><input type="checkbox"/> OPERATOR CHANGE<br><input type="checkbox"/> PRODUCTION START OR RESUME<br><input type="checkbox"/> REPERFORATE CURRENT FORMATION<br><input type="checkbox"/> TUBING REPAIR<br><input type="checkbox"/> WATER SHUTOFF<br><input type="checkbox"/> WILDCAT WELL DETERMINATION        |   |
| <input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:  | <input type="checkbox"/> ALTER CASING<br><input type="checkbox"/> CHANGE TUBING<br><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br><input type="checkbox"/> FRACTURE TREAT<br><input checked="" type="checkbox"/> PLUG AND ABANDON<br><input type="checkbox"/> RECLAMATION OF WELL SITE<br><input type="checkbox"/> SIDETRACK TO REPAIR WELL<br><input type="checkbox"/> VENT OR FLARE<br><input type="checkbox"/> SI TA STATUS EXTENSION<br><input type="checkbox"/> OTHER |   |
| <input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:   | <input type="checkbox"/> CASING REPAIR<br><input type="checkbox"/> CHANGE WELL NAME<br><input type="checkbox"/> CONVERT WELL TYPE<br><input type="checkbox"/> NEW CONSTRUCTION<br><input type="checkbox"/> PLUG BACK<br><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br><input type="checkbox"/> TEMPORARY ABANDON<br><input type="checkbox"/> WATER DISPOSAL<br><input type="checkbox"/> APD EXTENSION   |   |
| <input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:  | OTHER: <input style="width: 100px;" type="text"/>  |   |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br>The operator requests authorization to plug and abandon the subject well location. Plug and abandonment procedures are attached.                                |  |   |
| <b>Accepted by the<br/>Utah Division of<br/>Oil, Gas and Mining</b>  |  |   |
| <b>Date:</b> <u>October 13, 2010</u>   |  |   |
| <b>By:</b> <u>Dan K. Quist</u>   |  |   |
| <b>NAME (PLEASE PRINT)</b><br>Gina Becker  | <b>PHONE NUMBER</b><br>720 929-6086  | <b>TITLE</b><br>Regulatory Analyst II                     |
| <b>SIGNATURE</b><br>N/A  | <b>DATE</b><br>10/12/2010  |   |

KENNEDY WASH FEDERAL 11-1  
 1913' FSL & 2142' FEL  
 NWSE-Sec.11-T8S-R23E  
 Uintah County, UT

|       |        |               |              |
|-------|--------|---------------|--------------|
| KBE:  | 5377'  | API NUMBER:   | 43-047-33666 |
| GLE:  | 5362'  | LEASE NUMBER: | U-78228      |
| TD:   | 10516' | WINS:         | 72290        |
| PBDT: | 10265' | WI:           | 100%         |
|       |        | NRI:          | 87.5%        |

**CASING:** 17.50" Hole  
 13.375" 54.5# K-55 @ 318'  
 Cemented with 265 sx Premium AG. Circulated 12 BC to pit, TOC @ surface by circulation.

12.25" Hole  
 9.625" 40# K-55 @ 4598'  
 Cemented with 484 sx (1408 cuft) Premium Lite II lead and 280 sx (347 cuft) 50-50 Pozmix out the shoe; 307 sx. (884 cuft) Premium Lite II lead and 50 sx. (59 cuft) Class G tail out DV tool at 2088 (ECP inflated at 2092-2105'). Circulated 30 BC to pit. TOC @ surface by circulation.

7.875" Hole  
 5.5" 17# P-110 @ 10514'  
 Cemented with 635 sx (2210 cuft) Premium Lite II lead and 370 sx (729 cuft) Premium II tail. TOC at 7430' by CBL.

**TUBING:** 2 3/8", 4.7#, N-80 @9003', SN @ 9000'

| Tubular                          | Drift<br>inches | Collapse<br>psi | Burst<br>Psi | Capacities |          |          |
|----------------------------------|-----------------|-----------------|--------------|------------|----------|----------|
|                                  |                 |                 |              | Gal./ft.   | Cuft/ft. | Bbl./ft. |
| 2.375" 4.7# N-80 tbg.            | 1.901           | 11780           | 11200        | 0.1626     | 0.02173  | 0.00387  |
| 5.5" 17# P-110 csg.              | 4.767           | 7460            | 10640        | 0.9764     | 0.1305   | 0.02324  |
| <b>Annular Capacities</b>        |                 |                 |              |            |          |          |
| 2.375" tbg. X 5.5" 17# csg.      |                 |                 |              | 0.7462     | 0.0997   | 0.01776  |
| 5.5" csg. X 9.625" 40# csg.      |                 |                 |              | 1.9502     | 0.2607   | 0.0464   |
| 9.625" csg. X 13.375" 54.5# csg. |                 |                 |              | 2.7132     | 0.3627   | 0.0646   |
| 9.625" csg. X 12.25" hole        |                 |                 |              | 2.3436     | 0.3132   | 0.0588   |
| 5.5" csg. X 7.875" hole          |                 |                 |              | 1.2978     | 0.1733   | 0.0309   |

#### GEOLOGIC INFORMATION:

| Formation        | Depth to top, ft. |
|------------------|-------------------|
| Uinta            | Surface           |
| Green River      | 2461'             |
| Bird's Nest      | 2668'             |
| Top of Mahogany  | 3215'             |
| Base of Parchute | 4324'             |
| Wasatch          | 5473'             |
| Mesaverde        | 7758'             |

#### Tech. Pub. #92 Base of USDW's

|                |            |
|----------------|------------|
| USDW Elevation | ~1800' MSL |
| USDW Depth     | ~3577' KBE |

## PERFORATION DETAIL

| Formation  | Date Shot | Top  | Bottom | SPF | STATUS |
|------------|-----------|------|--------|-----|--------|
| Mesa Verde | 2/24/2001 | 9063 | 9075   | 4   | Open   |
| Mesa Verde | 3/1/2001  | 9066 | 9076   | 3   | Open   |
| Mesa Verde | 2/24/2001 | 9110 | 9122   | 4   | Open   |
| Mesa Verde | 3/1/2001  | 9111 | 9121   | 3   | Open   |
| Mesa Verde | 2/6/2001  | 9569 | 9576   | 4   | Open   |
| Mesa Verde | 2/3/2001  | 9675 | 9685   | 4   | Open   |

## WELL HISTORY

### Completion – November 2000

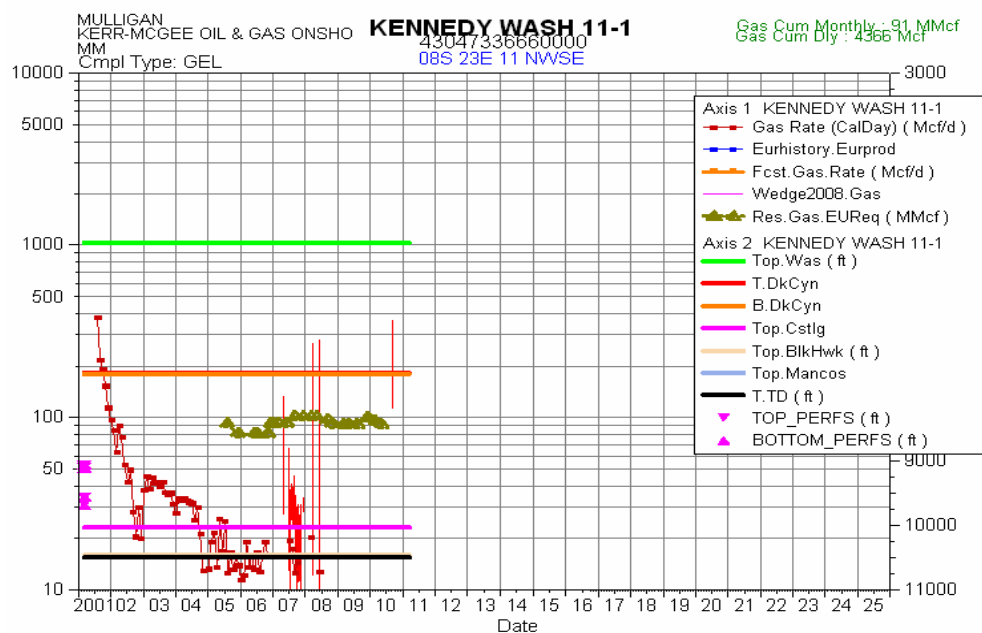
- TD'd on 1/24/2001.
- Perforated the Mesa Verde interval 9675-9685' and fractured with 2309 bbl gel containing 187500# 20/40 mesh sand.
- Perforated the Mesa Verde interval 9569-9576' and foam fractured with 164 bbl gel @ 70Q CO2 containing 26800# 20/40 mesh sand. Flow tested at 133 MCFD, 2 BWPH on 2/12/2001.
- Drilled out to 10165', landed tubing at 9377' and flow tested at 102 MCFD, 1.5 BWPH on 2/16/2001.
- Ran a production log on 2/9/2001:
  - 9569-9576' 78% gas, 90% water
  - 9685-9675' 22% gas, 10% water
- Landed tubing at 9635'. Flow tested at 133 MCFD, 2 BWPH.
- Perforated the gross Mesa Verde interval 9063' through 9122' and foam fractured with 244 bbl gel @ 70Q CO2, screening out with 9714# 20/40 mesh sand in the formation.
- Reperforated the gross Mesa Verde interval 9066' through 9121' and fractured with 760 bbl gel, screening out with 15274# 20/40 mesh sand in the formation.
- Cleaned out to 9800' then ran and set packer at 9622'. Swabbed gas cut fluid to 5000', had no fluid entry overnight, so swabbed to the SN. No entry, so acidized perforations 9675-9685' with 48 bbl 15% HCl.
- Pulled packer and landed tubing at 9634', SN at 9600'.
- Tested 216 MCFD, 88 BWPD, 201 psi FTP, 600 psi SICP, 64/64<sup>th</sup> choke on 3/8/2001.

### Workover #1 – October 2002

- Tagged fill at 9680'.
- Pulled tubing and made a bit trip, drilling out scale 9030-9061'. Cleaned out to 9715' and spotted 1000 gal 15% HCl across the perforations. Let same soak.
- Landed tubing at 9003' with SN at 9000'

### Workover #2 – December 2002

- RU portable inspection unit and inspected tubing on the TOH.
- Left 1 jt plus ½ of the next joint in the hole. Replaced bad joints.
- Landed tubing at 9003' with SN at 9000'. RTP.



## KENNEDY WASH FEDERAL 11-1 P&A PROCEDURE

### GENERAL

- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESPONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000' OF DEPTH.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDES. PREMIX 5 GALLONS PER 100 BBLs FLUID.
- NOTIFY BLM/UDOGM 24 HOURS BEFORE MOVING ON LOCATION.

### PROCEDURE

Note: An estimated 756 sx Class "G" cement needed for procedure

Note: No gyro has been run on this well as of 10/11/10

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.
2. PULL TBG & LD SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL. A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE. PREP TO RUN GYRO SURVEY.
3. RUN GYRO SURVEY.
4. **PLUG #1, ISOLATE MESAVERDE PERFORATIONS (9063' - 9685'):** RIH W/ 5 1/2" CIBP. SET @ ~9010'. RELEASE CIBP, PUH 10', BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **6 SX / 1.2 BBL / 6.53 CUFT**. ON TOP OF PLUG. PUH ABOVE TOC (~8960'). REVERSE CIRCULATE W/ TREATED BRINE.
5. **PLUG #2, PROTECT WASATCH TOP (5473'):** POOH W/ TBG. RIH W/ WIRELINE, PERFORATE @ ~5575' W/ 4 SPF. PU & RIH W/ 5 1/2" CIRC, SET @ ~5370'. RIH W/ TBG & STING INTO CIRC & SQUEEZE PERFS W/ APPROXIMATELY **82 SX / 16.6 BBL / 93.44 CUFT** (CALCULATION INCLUDES 50% EXCESS) OR SUFFICIENT VOLUME TO FILL CSG & ANNULUS TO 5370'. STING OUT OF CIRC AND SPOT **6 SX / 1.2 BBL / 6.53 CUFT** CMT ON TOP OF CIRC. BRK CIRC W/ FRESH WATER. POOH ABOVE TOC (~5320'). REVERSE CIRCULATE W/ 10 PPG BRINE.
6. **PLUG #3, PROTECT BASE OF PARACHUTE (4324'):** POOH W/ TBG. RIH W/ WIRELINE, PERFORATE @ ~4425' W/ 4 SPF. PU & RIH W/ 5 1/2" CIRC, SET @ ~4220'. RIH W/ TBG & STING INTO CIRC & SQUEEZE PERFS W/ APPROXIMATELY **99 SX / 20.3 BBL / 113.90 CUFT** (CALCULATION INCLUDES 42% EXCESS) OR SUFFICIENT VOLUME TO FILL CSG & ANNULUS TO 4220'. STING OUT OF CIRC AND SPOT **6 SX / 1.2 BBL / 6.53 CUFT** CMT ON TOP OF CIRC. BRK CIRC W/ FRESH WATER. POOH ABOVE TOC (~4170'). REVERSE CIRCULATE W/ 10 PPG BRINE.
7. **PLUG #4, PROTECT BASE OF USDW (~3577') & TOP OF MAHOGANY (3215'):** POOH W/ TBG. RIH W/ WIRELINE, PERFORATE @ ~3680' W/ 4 SPF. PU & RIH W/ 5 1/2" CIRC, SET @ ~3115'. RIH W/ TBG & STING INTO CIRC & SQUEEZE PERFS W/ APPROXIMATELY **251 SX / 51.2 BBL / 287.36 CUFT** (CALCULATION INCLUDES 30% EXCESS) OR SUFFICIENT VOLUME TO FILL CSG & ANNULUS TO 3115'. STING OUT OF CIRC AND SPOT **6 SX / 1.2 BBL / 6.53 CUFT** CMT ON TOP OF CIRC. BRK CIRC W/ FRESH WATER. POOH ABOVE TOC (~3065'). REVERSE CIRCULATE W/ 10 PPG BRINE.
8. **PLUG #5, PROTECT TOP OF BIRD'S NEST (~2668') & TOP OF GREEN RIVER (2461'):** POOH W/ TBG. RIH W/ WIRELINE, PERFORATE @ ~2770' W/ 4 SPF. PU & RIH W/ 5 1/2" CIRC, SET @ ~2360'. RIH W/ TBG & STING INTO CIRC & SQUEEZE PERFS W/ APPROXIMATELY **168 SX / 34.3 BBL / 192.48 CUFT** (CALCULATION INCLUDES 20% EXCESS) OR SUFFICIENT VOLUME TO FILL CSG & ANNULUS TO 2360'. STING OUT OF CIRC AND SPOT **6 SX / 1.2 BBL / 6.53 CUFT** CMT ON TOP OF CIRC. BRK CIRC W/ FRESH WATER. POOH ABOVE TOC (~2310'). REVERSE CIRCULATE W/ 10 PPG BRINE.

9. **PLUG #7, SURFACE SHOE (~318' KB) & SURFACE HOLE:** POOH W/ TBG. RIH W/ WIRELINE, PERFORATE @ 370' W/ 4 SPF. POOH W/ WIRELINE. RU CEMENT SERVICE TO PROD CSG. PUMP **126 SX / 25.8 BBL / 144.75 CUFT** OR SUFFICIENT VOLUME TO FILL ANNULUS AND CASING TO SURFACE.
10. CUT OFF WELLHEAD AND INSTALL MARKER PER BLM GUIDELINES.
11. RDMO. TURN OVER TO OPERATIONS FOR SURFACE REHAB.

ALM 10/11/10

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

|  |   |  |
|--|---|--|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other |   | 5. Lease Serial No.<br>UTU78228                      |
| 2. Name of Operator<br>KERR-MCGEE OIL&GAS ONSHORE, LP  |   | 6. If Indian, Allottee or Tribe Name                 |
| Contact: ANDY LYTLE<br>E-Mail: andrew.lytle@anadarko.com   |   | 7. If Unit or CA/Agreement, Name and/or No.          |
| 3a. Address<br>P.O. BOX 173779<br>DENVER, CO 80217   | 3b. Phone No. (include area code)<br>Ph: 720-929-6100 | 8. Well Name and No.<br>KENNEDY WASH FEDERAL 11-1    |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 11 T8S R23E NWSE 1913FSL 2142FEL                   |   | 9. API Well No.<br>43-047-33666                      |
|  |   | 10. Field and Pool, or Exploratory<br>NATURAL BUTTES |
|  |   | 11. County or Parish, and State<br>UINTAH COUNTY, UT |

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |  |   |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input checked="" type="checkbox"/> Reclamation    | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other          |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

THE OPERATOR SUBMITTED A NOTICE OF INTENT SUNDRY REQUESTING BLM APPROVAL TO PLUG AND ABANDON THE SUBJECT WELL LOCATION ON 10/12/2010. THE PLUG AND ABANDONMENT NOTICE OF INTENT SUNDRY IS CURRENTLY PENDING AT THE BLM.

THE OPERATOR REQUESTS AUTHORIZATION TO RECLAIM THE SUBJECT WELL LOCATION AT THE CONCLUSION OF PLUGGING OPERATIONS. ATTACHED TO THIS SUNDRY NOTICE IS THE FINAL RECLAMATION PLAN.  
COPY SENT TO OPERATOR

Date: 12.2.2010

Initials: KS

Accepted by the  
Utah Division of  
Oil, Gas and Mining

Date: 12/1/2010  
By: [Signature]

Federal Approval Of This  
Action Is Necessary

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #97991 verified by the BLM Well Information System  
For KERR-MCGEE OIL&GAS ONSHORE, LP, sent to the Vernal

|                                   |                          |
|-----------------------------------|--------------------------|
| Name (Printed/Typed) ANDY LYTLE   | Title REGULATORY ANALYST |
| Signature (Electronic Submission) | Date 11/23/2010          |

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

|   |             |              |
|---|-------------|--------------|
| Approved By _____   | Title _____ | Date _____   |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. |             | Office _____ |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

NOV 29 2010

DIV. OF OIL GAS & MINING



# **Kennedy Wash Federal 11-1 Final Reclamation Plan**

*Prepared by:*  
**Anadarko Petroleum Corporation**  
*June 2010*



## **Introduction**

The Kennedy Wash Federal 3-1 (API # 43-047-33666) is a conventional natural gas well located in Uintah County, UT approximately 28 miles southeast of the town of Vernal, UT. The location is in section 11 of township 8S range 23E.

## **Final Reclamation Objectives**

After production and operations cease, the goal of final reclamation is to return the land to a condition that approximates that which existed prior to disturbance and maintain a stable and productive condition compatible with the land use. The goal is not to achieve full ecological restoration of the site, but to achieve short-term stability, visual, hydrological and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

## **Site Preparation and Revegetation**

Earthwork for final reclamation will be completed within six months of well plugging, if weather allows for such activities to take place. Disturbed areas will be revegetated after the site has been prepared. Site preparation will include respreading topsoil to an adequate depth and may also include ripping, tilling, disking on contour, dozer track-imprinting, and/or other accepted reclamation site preparation practices. Activities such as seeding and vegetation re-establishment must be completed within the appropriate season for such activities not necessarily immediately after earthwork has been completed. Fall seeding can be conducted after August 15 until ground frost. The long term objective of final reclamation is for eventual ecosystem restoration including the restoration of the natural vegetative community, hydrology and wildlife habitats. Following well plugging, well sites that do not blend with the surrounding landform will be re-contoured.

## **Well Site Reclamation**

Following well plugging, all surface equipment will be removed. The Kennedy Wash Federal 11-1 will be re-contoured to blend with the surrounding landform and topography. Topsoil will be stripped before re-contouring and re-spread over the entire location.

### **Road Reclamation**

All roads within the project area will be reclaimed unless the surface management agency or surface owner requests that they be left unreclaimed. Road reclamation will include recontouring and seeding and may also include ripping, scarifying or disking. The Kennedy Wash Federal 11-1 has approximately 500ft of access road to be reclaimed.

### **Reclamation of Other Associated Facilities**

There are no other associated facilities with this well requiring reclamation.

### **Soil Preparation**

Soil preparation will be conducted using a disk for areas in need of more soil preparation following site preparation. This will provide primary soil tillage to a depth no greater than 6 inches. Prior to reseeding, compacted areas will be scarified by ripping or chiseling to loosen compacted soils. Scarification will promote water infiltration; improve soil aeration and root penetration.

### **Seed Mix and Seeding**

|                           |              |
|---------------------------|--------------|
| Great Basin Wildrye       | 2.5          |
| Indian Ricegrass (Nezpar) | 0.5          |
| Thickspike Wheat          | 2            |
| Western Wheat             | 2            |
| Bottlebrush Squirreltail  | 1            |
| Munro Globemallow         | 0.1          |
| Palmer Penstemon          | 0.1          |
| Rocky Mtn beeplant        | 0.5          |
| Western yarrow            | 0.1          |
| Rubber rabbitbrush        | 0.25         |
| Wyoming Sage              | 0.25         |
| Shadscale                 | 0.25         |
| Forage Kochia             | 0.5          |
| <b>Total</b>              | <b>10.05</b> |

The Kennedy Wash Federal 11-1 will be seeded with a no-till rangeland style seed drill with a "picker box" in order to seed "fluffy" seed. In areas that drill seeding may not be the preferred method, the seed will be broadcast and then raked into the ground at double the rate of drill seeding. All seed will be certified and tags will be kept on hand by Anadarko Petroleum Corporation, all seed will be certified weed free.

### **Soil Amendments and Stabilization**

Additional soil amendments and stabilization may be required on sites with poor soils and greater erosion potential. The following soil amendments may be used on this location:

Sustane is an organic fertilizer that will be applied at the rate 1,800 – 2,100 lbs/acre with seed. Sustane granulated slow release fertilizers replenish the soil with essential nutrients and a rich supply of humus as required for long term soil building and plant growth. Sustane can be dry broadcast or applied with hydro-seeding equipment.

### **Erosion Control**

The slopes will be stabilized using materials specifically designed to prevent erosion in order to allow permanent establishment of vegetation. These materials will include, but are not limited to erosion control blankets, hydro-mulch, or soil amendments such as erosion control polymers

### **Monitoring**

Monitoring of the Kennedy Wash Federal 11-1 will be completed annually during the growing season and actions to ensure reclamation success will be taken as needed. During the first 2 growing seasons an ocular methodology will be used to determine the success of the reclamation activities. During the 3rd growing season a quantitative method of 200 point line intercept basal monitoring will be conducted in order to see if the reclaimed area has met 30% desirable basal cover when compared to the native vegetation. If 30% has not been met additional seeding/reclamation efforts may be necessary (Green River District Reclamation Guidelines). Monitoring will continue until the reclaimed area reaches 75% basal cover of desirable vegetation when compared to the undisturbed adjacent native vegetation.

All monitoring reports will be submitted to the Vernal BLM no later than March 31 of the year following the data collection. (Data collected in 2010 will be submitted in 2011 and so forth.) These reports will be submitted electronically in the form of a geodatabase for use in a geographic information system (GIS).

### **Noxious Weeds**

Noxious weeds will be controlled as needed on the location. Monitoring and management of noxious and/or invasive weeds of concern will be completed

annually until the project is deemed successfully reclaimed by the surface management agency and/or owner according to the Anadarko Integrated Weed Management Plan. Noxious weed infestations will be mapped using a GPS unit and submitted to the BLM with information required in the Vernal BLM Surface Disturbance Weed Policy. If herbicide is to be applied it will be done according to an approved Pesticide Use Permit (PUP). Anadarko submits a field wide PUP annually, and this location will fall under the PUP. All pesticide applications will be recorded using a Pesticide Application Record (PAR) and will be submitted along with a Pesticide Use Report (PUR) annually prior to Dec. 31. All weed management will be done in accordance with the Vernal BLM Surface Disturbance Weed Policy.

### **Inspection and Final Abandonment Approval**

When the Kennedy Wash Federal 11-1 has reached the final abandonment objectives, the operator will file a Final Abandonment Notice (FAN). Upon receipt of the FAN a site inspection will be completed by the management agency to ensure reclamation is fully successful and approve the FAN. The operator may request termination of the bond on the Final Abandonment Notice.

|   |  |   |
|---|--|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING   |  | <b>FORM 9</b>   |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.  |  | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>U-78228 |
| <b>1. TYPE OF WELL</b><br>Gas Well  |  | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>              |
| <b>2. NAME OF OPERATOR:</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.   |  | <b>7. UNIT or CA AGREEMENT NAME:</b>                      |
| <b>3. ADDRESS OF OPERATOR:</b><br>P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779   |  | <b>8. WELL NAME and NUMBER:</b><br>KENNEDY WASH 11-1      |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>1913 FSL 2142 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NWSE Section: 11 Township: 08.0S Range: 23.0E Meridian: S   |  | <b>9. API NUMBER:</b><br>43047336660000                   |
| <b>PHONE NUMBER:</b><br>720 929-6511  |  | <b>9. FIELD and POOL or WILDCAT:</b><br>KENNEDY WASH      |
| <b>COUNTY:</b><br>UTAH  |  | <b>STATE:</b><br>UTAH                                     |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA   |  |   |
| <b>TYPE OF SUBMISSION</b>   | <b>TYPE OF ACTION</b>  |   |
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:  | <input type="checkbox"/> ACIDIZE   |   |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:<br>1/2/2012   | <input type="checkbox"/> ALTER CASING                                      |   |
| <input type="checkbox"/> SPUD REPORT<br>Date of Spud:   | <input type="checkbox"/> CASING REPAIR                                     |   |
| <input type="checkbox"/> DRILLING REPORT<br>Report Date:  | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS                          |   |
|   | <input type="checkbox"/> CHANGE WELL STATUS                                |   |
|   | <input type="checkbox"/> CHANGE TUBING                                     |   |
|   | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS                    |   |
|   | <input type="checkbox"/> DEEPEN  |   |
|   | <input type="checkbox"/> FRACTURE TREAT                                    |   |
|   | <input checked="" type="checkbox"/> PLUG AND ABANDON                       |   |
|   | <input type="checkbox"/> NEW CONSTRUCTION                                  |   |
|   | <input type="checkbox"/> OPERATOR CHANGE                                   |   |
|   | <input type="checkbox"/> PLUG BACK   |   |
|   | <input type="checkbox"/> PRODUCTION START OR RESUME                        |   |
|   | <input type="checkbox"/> RECLAMATION OF WELL SITE                          |   |
|   | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION                    |   |
|   | <input type="checkbox"/> REPERFORATE CURRENT FORMATION                     |   |
|   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL                          |   |
|   | <input type="checkbox"/> TEMPORARY ABANDON                                 |   |
|   | <input type="checkbox"/> TUBING REPAIR                                     |   |
|   | <input type="checkbox"/> VENT OR FLARE                                     |   |
|   | <input type="checkbox"/> WATER DISPOSAL                                    |   |
|   | <input type="checkbox"/> WATER SHUTOFF                                     |   |
|   | <input type="checkbox"/> SI TA STATUS EXTENSION                            |   |
|   | <input type="checkbox"/> WILDCAT WELL DETERMINATION                        |   |
|   | <input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/> |   |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.<br>The operator has concluded the plug and abandonment operations on the subject well location on 1/02/2012. Please see the attached chronological well history for details and updated latitude and longitude locations. Thank you. |  |   |
| Accepted by the<br>Utah Division of<br>Oil, Gas and Mining<br><b>FOR RECORD ONLY</b><br>March 01, 2012  |  |   |
| <b>NAME (PLEASE PRINT)</b><br>Jaime Scharnowske   | <b>PHONE NUMBER</b><br>720 929-6304  | <b>TITLE</b><br>Regulatory Analyst                        |
| <b>SIGNATURE</b><br>N/A   | <b>DATE</b><br>2/22/2012   |   |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: KENNEDY WASH FED 11-1

Spud Date:

Project: UTAH-UINTAH

Site: KENNEDY WASH FED 11-1

Rig Name No: WESTERN WELLSITE/UNK

Event: ABANDONMENT

Start Date: 12/19/2011

End Date: 1/2/2012

Active Datum: RKB @0.00usft (above Mean Sea Level)

UWI: KENNEDY WASH FED 11-1

| Date       | Time<br>Start-End | Duration<br>(hr) | Phase | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation  |
|------------|-------------------|------------------|-------|------|-------------|-----|-------------------|--|
| 12/19/2011 | 7:00 - 17:00      | 10.00            | ABAND |      |             |     |                   | PREJOB SAFETY MEETING, BLOW DOWN WELL, KILL WELL WITH 50BLS BRINE WATER NDWH, NUBOP, TOH TO 3500', SIW, SDFN   |
| 12/20/2011 | 7:00 - 17:00      | 10.00            | ABAND |      |             |     |                   | PREJOB SAFETY MEETING, BLOW DOWN WELL, TOH, RU WIRELINE, RUN GAUGE RING FOR 5.5" TO 9050', RIH WITH 5.5" CIBP AND SET AT 9010', RD WIRLINE, RU MS SURVEY, RUN GRYO SURVEY TO 9000', RD MS SURVEY, TIH WITH TUBING TO 9000', SDFN<br>WITNESSED BY: DONNA KENNY BLM  |
| 12/21/2011 | 7:00 - 17:00      | 10.00            | ABAND |      |             |     |                   | PREJOB SAFETY MEETING, WO WATER, LOAD HOLE WITH 180BLS FRESH WATER WITH CORROSION INHIBITOR, PRESSURE TEST CASING TO 500PSI HELD, RU SCAN TECH, MIX AND PUMP 10SXS CLASS G CEMENT ON TOP OF CIBP, TOH TO 7880', MIX AND PUMP 30SXS CLASS G CEMENT, TOH AND TEST TUBING, PU TAG SUB, TIH TO 5237', WOC, SDFN<br>WITNESSED BY: DONNA KENNY BLM |
| 12/22/2011 | 7:00 - 17:00      | 10.00            | ABAND |      |             |     |                   | PREJOB SAFETY MEETING, WO WATER, LOAD HOLE WITH 180BLS FRESH WATER WITH CORROSION INHIBITOR, PRESSURE TEST CASING TO 500PSI HELD, RU SCAN TECH, MIX AND PUMP 10SXS CLASS G CEMENT ON TOP OF CIBP, TOH TO 7880', MIX AND PUMP 30SXS CLASS G CEMENT, TOH AND TEST TUBING, PU TAG SUB, TIH TO 5237', WOC, SDFN<br>WITNESSED BY: DONNA KENNY BLM |
| 12/27/2011 | 7:00 - 17:00      | 10.00            | ABAND |      |             |     |                   | PREJOB SAFETY MEETING, RU WIRELINE, CUT CASING WITH SPLIT SHOT AT 4644', RD WIRELINE, NDBOP, NDWH, WELD ON PULL SUB, PULLED PULL SUB OFF CASING, RE-WELD PULL SUB ON CASING, SDFN<br>WITNESSED BY: DONNA KENNY BLM   |
| 12/28/2011 | 7:00 - 17:00      | 10.00            | ABAND |      |             |     |                   | PREJOB SAFETY MEETING, PULL CASING FREE, RU CASING TONGS, LD CASING, RD CASING TONGS, NUWH, NUBOP, SDFN<br>WITNESSED BY: DONNA KENNY BLM   |
| 12/29/2011 | 7:00 - 17:00      | 10.00            | ABAND |      |             |     |                   | PREJOB SAFETY MEETING, TOH TO 4703', HOT OIL WELL WITH 70BLS WATER, LOAD HOLE WITH 275BLS WATER WITH CORROSION INHIBITOR, MIX AND PUMP 100SXS CLASS G CEMENT, TOH TO 2000', SIW, WOC, SDFN<br>WITNESSED BY: CLIFF JOHNSON BLM  |

## US ROCKIES REGION

## Operation Summary Report

Well: KENNEDY WASH FED 11-1

Spud Date:

Project: UTAH-UINTAH

Site: KENNEDY WASH FED 11-1

Rig Name No: WESTERN WELLSITE/UNK

Event: ABANDONMENT

Start Date: 12/19/2011

End Date: 1/2/2012

Active Datum: RKB @0.00usft (above Mean Sea Level)

UWI: KENNEDY WASH FED 11-1

| Date       | Time<br>Start-End | Duration<br>(hr) | Phase | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation  |
|------------|-------------------|------------------|-------|------|-------------|-----|-------------------|--|
| 12/30/2011 | 7:00 - 17:00      | 10.00            | ABAND |      |             |     |                   | PREJOB SAFETY MEETING, TIH AND TAG CEMENT AT 4435', TOH TO 423', PRESSURE TEST 9 5/8" CASING HELD, MIX AND PUMP 80SXS CLASS G CEMENT, TOH TO 3680', MIX AND PUMP 80SXS CLASS G CEMENT, TOH TO 3301', MIX AND PUMP 80SXS CLASS G CEMENT, TOH TO 2710', MIX AND PUMP 170SXS CLASS G CEMENT, TOH TO 500', REVERSE CIRCULATE WITH 40BLS WATER, SIW, SDFN<br>WITNESSED BY: CLIFF JOHNSON BLM  |
| 1/2/2012   | 7:00 - 17:00      | 10.00            | ABAND |      |             |     |                   | PREJOB SAFETY MEETING, HOT OIL WELL WITH 130BLS FRESH WATER, TOH, NDBOP, NDHW, TIH TO 375', MIX AND PUMP 140SXS CLASS G CEMENT TO SURFACE, TOH, RD, DIG OUT WELLHEAD, CUT OFF WELLHEAD, CEMENT AT SURFACE IN AL ANNULUI, WELD ON INFO PLATE, BACKFILL, CLEAN LOCATION, SDFN<br><br>NAD27 40.13512/-109.29188<br><br>Witness was Donna Kenny BLM and Cliff Johnson BLM<br>780 total sxs cement<br>8785' yellow band 223jts 2 3/8" N-80 tubing recovered<br>218' red band 2 3/8" tubing recovered<br>4629' 5.5" 17# casing recovered |